



**Illinois Department
of Employment Security**

HUMAN SERVICES PLAN

STATE FISCAL YEAR 2012

Pat Quinn, Governor

Maureen T. O'Donnell, Director

www.ides.illinois.gov



Illinois Department of Employment Security

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Governor

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Director

April 2011

To The Honorable Members of the General Assembly:

I am pleased to take this opportunity to share with you the Illinois Department of Employment Security's (IDES') Human Services Plan for Fiscal Year 2012. The Department will continue to play a key role in Illinois' steady economic recovery through its administration of three programs that encourage job growth and productivity.


IDES' Unemployment Insurance program pays millions of dollars in benefits to eligible claimants each month. Those benefits, paid for by taxes levied on employers, ultimately return to the local economy and help stem recession-induced business closures.

The Employment Services program provides job search assistance to individuals faced with the challenge of finding employment in a harsh labor market and helps businesses maintain their productivity by promptly filling job vacancies with qualified workers. IDES' reemployment services and online labor exchange system are key catalysts in effecting matches between job seekers and employers.

Through the labor market and economic data that IDES collects, analyzes, and publishes, job seekers are able to explore alternative career options and businesses have a tool to inform site selection and expansion decisions. As such, Labor Market Information plays an integral role in focusing job searches on career paths with a future and fueling the state's economic development and job creation engine.

We look forward to working with you as we continue our joint efforts to return Illinois and its citizens to growth and prosperity.

Very truly yours,

Maureen T. O'Donnell
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State of Illinois
Department of Employment Security

HUMAN SERVICES PLAN
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SECTION ONE

INTRODUCTION

INTRODUCTION

DEPARTMENT OVERVIEW

The Illinois Unemployment Insurance Act, the federal Wagner-Peyser Act, and the federal Workforce Investment Act (WIA) of 1998 authorize the Unemployment Insurance, Employment Service and Labor Market Information programs. Through its administration of these programs the Illinois Department of Employment Security (IDES) plays a central role in improving Illinois' economic environment and the prosperity of its people.

Like other states in the national network of **Unemployment Insurance (UI)** programs, Illinois' program is designed to contribute to overall economic stability by partially protecting eligible workers against loss of income during periods of unemployment. UI benefits are paid from a reserve fund, the UI Trust Fund, which is supported by contributions that IDES collects from employers defined as liable under the Illinois UI Act. Eligible workers who become unemployed and meet all requirements set forth in the UI Act may receive benefits for the maximum number of weeks payable under the law or until the worker finds employment or becomes otherwise ineligible.

The **Employment Service (ES)** is a labor exchange that connects qualified workers with employers' job vacancies. The program's objectives aim to reduce the loss of productivity by filling businesses' job openings as quickly as possible and to shorten the duration of individuals' unemployment. For job seekers who are not job ready, ES, in cooperation with other state agencies and community organizations, assists clients to access training, employability development services, and other supportive services needed to realize their employment goals.

Labor Market and Career Information (LMI) influences social, economic, and fiscal policy and decision making in both the public and private sectors. Under Illinois' WIA Implementation Plan, IDES was designated as the state's primary provider of employment statistics; and, as such, it develops and maintains the most comprehensive labor market and career information programs in the state. The Department's statistical databases contain data it collects from IDES' own UI and ES systems, from the five statistical programs it administers for the U.S. Department of Labor (USDOL) and from a variety of secondary sources such as the decennial census. IDES analyzes and publishes this information for use by employers, job seekers, career counselors, government agencies, educators, and economic developers and draws on the data to conduct its own research on special projects and initiatives which provide current and projected data on labor force, employment trends, and other economic information.

These brief descriptions of IDES' core programs are further expanded upon in subsequent sections of this plan. Additional program information and access to services are available at IDES offices and on the IDES Web site at www.ides.illinois.gov.

IDES traditionally delivered services through its stand-alone offices located throughout the state. WIA places emphasis on an integrated workforce investment system, as manifested by the One-Stop Center design. One-Stop Centers, known in this state as Illinois workNet Centers, are the universal point of access to all workforce investment programs and related activities. Today, IDES-administered programs are primarily delivered in the Illinois workNet Center environment, in cooperation with partner agencies. The network of Illinois workNet Centers throughout the state provides, in one place, seamless access to many of the workforce services and products that clients may require. Section III of this plan contains a more detailed description of WIA and the Illinois workNet Centers.

IDES VISION AND MISSION

VISION

The Department of Employment Security will support economic stability in Illinois by administering the Unemployment Insurance, Employment Service, and Labor Market Information Programs.

MISSION STATEMENT

We manage these programs cost-effectively and continuously seek to exceed our customers' expectations with the high quality of service we deliver.

We make these services easily accessible to all of our customers through the use of applicable technology and by working with other service providers within a statewide network of Illinois workNet Centers.

We provide unemployment insurance benefits to eligible individuals, diminishing the ill effects of economic downturns on businesses and the unemployed.

We collect taxes from employers based on their unemployment experience, raising sufficient revenue when the economy is strong so that we can continue to pay benefits during economic downturns.

We meet the employment needs of Illinois businesses by being the primary source of qualified job candidates.

We supply labor market information to assist our customers in making career, education and economic development decisions.

STRATEGIC PLANNING

IDES employs a strategic planning process to keep its vision and mission paramount and on course. With a primary responsibility for the economic well-being of Illinois' workforce and employers, IDES must continually prepare for changes in the economy, technology, and the business environment and be sufficiently flexible to meet the ever-evolving needs and expectations of its customers. As a result, the Department has established the following set of broad strategic initiatives which, while not listed in order of priority, are all critical to the success of IDES' mission.

I. STRATEGIC INITIATIVE: RETURN THE UI TRUST FUND TO SOLVENCY

The Great Recession was by all accounts the worst economic downturn since the early 1980s. By late February 2011, Illinois' Unemployment Insurance Trust Fund balance was nearly \$2.7 billion in debt. The American Recovery and Reinvestment Act of 2009 (a.k.a. the federal Economic Stimulus bill) included a provision that allowed states to borrow money interest-free to meet unemployment benefit obligations through the end of Calendar Year (CY) 2010 and 32 states, including Illinois, have already borrowed an aggregate \$43 billion from the federal government to pay unemployment benefits.

As is typical of Illinois' UI legislative process, measures to address the long-term solvency of the UI trust fund are expected to be based on a state-facilitated agreement between Illinois' business and labor communities (a.k.a. the Agreed Bill process). Initial discussions with various stakeholders have already occurred and will be ongoing throughout the year.

II. STRATEGIC INITIATIVE: USE LABOR MARKET INFORMATION AS THE FOUNDATION OF CONNECTING EMPLOYERS AND JOB SEEKERS TO IMPROVE LABOR MARKET CONDITIONS OVERALL.

IDES is the state's premier source for labor market and career information. The Economic Information and Analysis (EI&A) Division produces, collects, and distributes information such as employment statistics, job forecasts, wages, and demographic characteristics. With funding from the American Recovery and Reinvestment Act, IDES acquired licenses for Help Wanted Online (HWOL), a provider of real-time online job advertisements, and an electronic tool called TORQ (Transferable Occupation Relationship Quotient) to help job seekers more easily find positions in new occupations when jobs in their current occupations are no longer in available or in demand.

Through Help Wanted Online, the Economic Information and Analysis Division will be able to provide aggregated information on hiring demands by occupation, industry, and geography. This tool offers real-time information on labor market conditions in Illinois. As the Agency shifts away from its old labor exchange, ISM, to the Illinois Job Link, the underlying data base for job seekers will come from this same source. Job seekers will immediately benefit from this new product as unduplicated job ads create a more efficient job search with real jobs from real employers.

Jobseekers will benefit from TORQ, which will assist those who cannot find positions in their chosen occupations to determine which occupations-in-demand are now available, and how to transition from their current set of skills, knowledge, and ability, to an updated set for the jobs-in-demand.

Labor market analysts will work together with employment services, veteran representatives, and local workforce boards along with Rapid Response Teams to ensure that real time labor market information serves as the foundation of a workforce delivery system. By leveraging technology, labor market economists will be able to provide localized labor market information to specific geographies.

The TORQ e-tool will provide employment services counselors the ability to help job seekers transition to new and emerging occupations such as those in the Green Sector for instance, where Illinois green jobs could be featured. Another expected customization of the technology would allow employment services counselors to target Illinois jobs with the most annual openings (those featured in our annual publication, *Learn More Earn More*). This will operationalize the labor market information produced by Economic Information and Analysis in a high tech capacity.

Illinois employers will benefit from both systems in that real time labor market information will more efficiently and effectively create a labor force that is more aligned to the needs of the present and future rather than a labor force tied to the past.

III. STRATEGIC INITIATIVE: 21ST CENTURY SERVICE TO VETERANS

The Veterans Program at IDES has taken a proactive approach to veterans service delivery in Illinois. Last year's Annual Veterans Training Conference, Tools and Technology for Serving Veterans, embarked on a four day program that focused on understanding and working with, among other things, veterans with Traumatic Brain Injury and Post-Traumatic Stress Disorder. IDES' Veteran Employment Representatives were also trained to better reach our veteran population by using technology specific to each generation of veterans. The Department has also expanded the scope of its collaborative efforts by increased out-stationing of veterans representatives at St. Leo's Residence for Veterans, the Veterans Affairs Clinic & Resource Center on the South Side of Chicago, and the Veterans Administration hospital on Chicago's West side. At St. Leo's, with its high volume of formerly homeless veterans and the huge population that uses the South Side location as a hub for services, a wide variety of employment services are offered to veterans transitioning to sustainable employment.

IDES participated in a groundbreaking initiative with organized labor, the Teamsters and the Service Employees International Union, to develop a program called Heroes to Healthcare (H2HC). In the program, veterans will be identified to work in the high growth health industry in a variety of professions with this comprehensive model. H2HC hopes to launch a pilot in Illinois and then take the program to the national level. The Department was also able to use American Recovery and Reinvestment Act funds to

design and launch the Veterans On-the-Job Training Program in partnership with the Department of Commerce and Economic Opportunity and a sub-grantee, National Able, which helps place veterans in the program with the promise of a possible full-time job offer at the end. Finally, IDES participated in Governor Pat Quinn's Illinois Workforce Investment Board (IWIB) Subcommittee called the Veterans Task Force and will present the finding of the report of the subcommittee for review at the full IWIB meeting in Springfield in late March. Once the report is presented, there will be a call to action to implement the recommendations in the report. Among the recommendations in the report there is a call to better collaborate in the existing universities, state agencies, business and labor partners to meet the needs of the growing veteran population in Illinois.

The Department is refocusing the primary duties of the DVOP and LVER, making them specialists in their fields of responsibility by using a holistic approach to meet the goals and expectations of our veterans. IDES has refined the Incarcerated Veterans Transition Program to focus more on these veterans' transition back into their communities and families by assigning them to specially trained DVOP specialists that have been trained at the National Veterans Training Institute.

Outreach has been expanded to encompass the service organizations that support veterans, such as the American Legion, AMVETS, Easter Seals, Volunteers of America, and Goodwill Industries. IDES is partnering with the American Legion for the first time in sponsoring job fairs. In addition, the Department's staff have partnered across the state with Chambers of Commerce. More specifically, Chicago was selected by the US Department of Labor as the pilot site for the US Chamber of Commerce's national initiative, "Hiring Our Heroes" Job Fair.

IV. STRATEGIC INITIATIVE: BENEFIT PAYMENT INTEGRITY

IDES is committed to the effective use of the tax dollars that employers pay into the UI Trust Fund for benefits to the unemployed, and both the ES and UI programs have their roles to play. ES facilitates the reemployment of claimants to shorten their periods of unemployment and thus the amount of benefits they receive. The UI program as the gatekeeper has a larger task: to determine eligibility accurately and timely to prevent improper payments in the first place and to detect and recover monies for the Trust Fund as quickly as possible when errors and even fraud occur. The Department will implement two initiatives to strengthen UI's role, one to add a new detection tool and a second to recover larger amounts of overpayments.

- **New Hire Unit.** IDES will establish a New Hire Unit in the Benefit Payment Control (BPC) Division to detect and establish benefits overpayments. Unit staff will access the National Directory of New Hires (NDNH) to identify individuals who return to work but who fail to report earnings or the correct amounts of earnings. With a small investment of staff time, this unit can establish and stop overpayments earlier in the process, before they develop into large sums, and recover monies owed the

Trust Fund from claimants who are still employed. Among integrity-related activities, the New Hire Unit is expected to result in significant savings.

- ***The Treasury Offset Program (TOP)*** Executive Order 13520 issued by President Obama on November 20, 2009, mandated agencies to reduce improper payments. Subsequent federal legislation developed the means to assist states and agencies to comply with the order. IDES will participate in the US Department of the Treasury's Treasury Offset Program (TOP). Similar to the arrangement the Department already has with the Illinois Comptroller, TOP recovers federal dollars owed to UI debtors and returns the money to the states. The difference between the state and federal programs is that the latter has the potential to recover substantially more money. TOP's charge per offset (\$17 at this time) will be more than compensated by the expected large recoveries.

Originally designed to collect UI debts due to fraud, TOP was expanded by the Claims Resolution Act of 2010 to include non-fraud overpayments, uncollected contributions, and any related penalty and interest if the debt was due to failure to report earnings or delinquent contributions. The Act also removed the 10-year statute of limitations on debt collection. IDES must prepare to participate in TOP – receive approval from the Internal Revenue Service and have its transmissions tested by Treasury's Financial Management Service (FMS) – but it plans to have everything in order in time for the next federal tax season.

V. STRATEGIC INITIATIVE: IMPROVE UNEMPLOYMENT INSURANCE QUALITY AND CUSTOMER SERVICE

IDES is committed to improving the quality of UI programs and services to our customers. The primary methods of achieving this goal are the implementation of the Illinois Benefit Information System (IBIS) and staff training.

In August 2010, IBIS was implemented in every IDES office. The system was designed to integrate and enhance the functionality of all aspects of the UI program and to make it easier for our clients to access these services. In addition to maintaining a presence in the communities throughout the state through our network of local offices, many of our services are currently provided via the Internet and telephone. IDES intends to expand these services whenever possible. Special attention is being paid to the adjudication function to improve the quality and timeliness of eligibility determinations to claimants and employers.

In 2011, IDES will conduct additional staff training. This training will consist of both refresher training on the new IBIS process and also adjudication law and policy training. This, in conjunction with the previously implemented Guided Interview functionality and increased review and scoring of adjudication cases by local, region, and quality assurance staff, will assist the Department in identifying individual staff performance issues and further training needs. These initiatives are designed to steadily and

incrementally improve the quality of adjudication investigations and decisions and, furthermore, meet the desired levels of achievement established by both the state and federal governments.

IDES is committed to improving customer service provided to claimants, jobseekers, and other partners and will continue to utilize training and technology to achieve those goals.

In addition to UI training, the Department continues to utilize random reviews to identify areas of focus with our staff. IDES is pursuing further leadership training and customer service workshops and is also utilizing performance reports to identify those staff that may need additional assistance and guidance to increase productivity, and ultimately the customer service we provide.

IDES continues to utilize technology to achieve these same goals. We will continue to increase telephone support for external stakeholders by dedicating staff to answer incoming calls. We have also established a growing customer service group for all claimant issues, including specially trained representatives to work with Interstate claimants. IDES is reviewing queue management strategies to more effectively manage and direct claimants within our offices. With IBIS, IDES has better tools and reports to analyze emerging unemployment trends and customer service issues that are driving claimants into the offices or causing them to call IDES for assistance. Using these tools, IDES can proactively address many of these issues before our service level degrades.

INTERAGENCY COORDINATION

Interagency coordination and cooperation are key to the WIA model and its realization through the IDES/Illinois workNet Center system. The Department can best fulfill its mission when ties to other agencies make additional resources available to our clients.

WORKFORCE DEVELOPMENT

IDES is a member of the Illinois Workforce Investment Board, which includes employers, representatives of other state agencies, and community groups. IDES also has a seat on all local workforce investment boards.

The Illinois WIA Five Year Strategic Plan, which incorporated the Wagner-Peyser Plan, was developed through a major cooperative effort of many state and local agencies. In addition, IDES has worked with its Illinois workNet partners at the state and local levels to develop local Memoranda of Understanding (MOUs) required under WIA. These agreements must cover the services to be provided, the funding of the services, and methods for referring individuals between partners.

COOPERATIVE INITIATIVES

- **Performance Outcome Data:** IDES has established a partnership with Illinois State University to develop a comprehensive strategy to address the variety of issues faced

by unemployment insurance claimants as labor market conditions change over the business cycle. The initial phase of this effort focused on behavior by cohort group as claimants re-entered the labor force or went through the process of receiving different types of claims (regular or extended benefits) in the context of the unemployment insurance claimant pipeline. The next phase develops a database of micro records linked across time to match IDES administrative data sources (UI claimant data, Wage Record data, and Employment Services program data).

This database enables tracking UI claimant flows, evaluating patterns of claimant behavior, and forecasting UI claimant outcomes. Consequently, we will investigate labor market outcomes for remediation efforts, measure operational workload, and suggest reemployment strategies for workforce needs of target populations. In addition, project resources are dedicated to display local labor demand/supply characteristics over time in a visual format. Spatial labor supply characteristics include UI claimant residence location, demographic characteristics, prior work history, and description of benefits received.

This analytical database will allow IDES to facilitate our economic, education and workforce development partner agencies efforts to track performance outcome data. Partner agencies (DCEO, IBHE, ICCB, IDFP, IDHS, ISBE, and Northern Illinois University) will be able to jointly develop and update shared data systems that insure privacy, security, and reliability of data. These shared education, workforce, and human services data systems will enhance the evaluation of the effectiveness of education and workforce development policies, programs, and offerings. This type of data feedback on the types of industries in which training completers find employment and how their wages increase over time can promote targeted state and regional sector initiatives thereby contributing to economic development and job growth. Furthermore, as U.S. Department of Labor grant funding becomes available, IDES and its partner agencies will pursue opportunities to accelerate our workforce data quality initiatives.

Other targeted IDES activities or programs that involve collaboration with specific agencies and their customers include:

- **Department of Commerce and Economic Opportunity (DCEO):** IDES' partnership with DCEO was the driving force in the early establishment of Illinois' workNet Center network and in the definition of Illinois' Economic Development Regions (EDRs.) The Department continues to work closely with DCEO in a number of programs such as the Veterans On-the-Job Training Program (VOJTP). Made possible by funding from the American Recovery and Reinvestment Act of 2009 (ARRA), the two departments created a statewide jobs training program for Illinois veterans, which provides assessment, employment experience, and employability skills to those hardest hit by the current recession. Through Vojtp, unemployed veterans are placed into unsubsidized employment, and ARRA funds reimburse their employers for up to 50% of their extraordinary costs of training.

For the administration of WIA, the Department cooperates in the execution of special data sharing arrangements to allow the electronic transfer of otherwise restricted information. A comprehensive interagency agreement makes IDES information available to DCEO for economic development and marketing efforts. The information includes the characteristics of UI claimants and ES applicants, data on Illinois employers (new employers in particular), monthly reports of employers with ten or more UI initial claims by Local Workforce Investment Area, Local Area Unemployment Statistics and short- and long-term industry and occupational employment projections.

To improve client accessibility to services, IDES worked closely with DCEO in the development and implementation of www.IllinoisworkNet.com, a web-based service that provides job seekers and businesses with links to a full spectrum of Illinois workforce programs. To ensure that Illinois workNet links seamlessly to appropriate sections of the IDES Web site, IDES staff meet regularly with DCEO and Illinois WorkNet staff to update them on changes to the IDES site.

In conjunction with the Economic Development Subcabinet, IDES' Economic Information and Analysis Division works with our IWIB partners to coordinate the Regional Healthcare Workforce Initiative and participates in the inter-agency Programs of Study Work Group. Supply-Demand analysis of occupations critical to the Illinois economy must play a significant role in educational planning to insure future job growth throughout the State.

- **Department of Healthcare and Family Services (IDHFS):** IDES deducts money from UI benefits payable to parents who are legally obligated to pay child support and forwards the funds to IDHFS for distribution. In addition, the Illinois New Hire Registry, which IDES developed and maintains, is a tool used to locate absent parents in order to enforce child support orders, as required by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.
- **Department of Revenue (IDOR):** In addition to Illinois TaxNet, a joint online tax filing application, IDES also partners with IDOR on several other programs. One of these is the Federal/State Employment Taxes Program (FSET). FSET is geared to large employers and payroll companies and enables them to file and pay both their federal and Illinois employment taxes electronically. This program has been added to Intuit's QuickBooks product, making it accessible to small employers who use this software. Another joint initiative is Annual Filing for Household Employers, which began in 2006. Employers who solely employ household workers, such as nannies, housekeepers, home health aides, or other household employees, can file one joint return annually, instead of quarterly, and pay their UI and Illinois withholding tax all at once.
- **Department of Corrections (IDOC):** For years, IDES has funded a cooperative program with IDOC which provides job placement services to clients in selected Community Correctional Centers and IDES/Illinois workNet Centers. In SFY 2005, this

initiative was expanded to become the Re-entry Employment Service Program (see Section IV – Employment Service – for details). IDES also entered into a Memorandum of Understanding between IDOC and the Illinois Department of Veterans Affairs to implement a pilot program for incarcerated veterans under USDOL's Incarcerated Veterans Transition Program.

IDES has trained IDOC staff in the procedures for the Work Opportunity Tax Credit and for the Fidelity Bonding programs. Through the latter program, IDES arranges bonds for formerly incarcerated felons whose employers are unable to bond them through their usual bond providers or for prospective employers who wish to reduce the perceived risk associated with hiring a formerly incarcerated felon.

- **Department of Veterans Affairs (IDVA):** Illinois is one of a few states selected by USDOL's Veterans Employment and Training Service (VETS) to implement a pilot program under the Incarcerated Veterans Transition Program. IDES, the Illinois Department of Corrections (IDOC) and the Illinois Department of Veterans Affairs (IDVA) have signed a Memorandum of Understanding, and the National Veterans Training Institute has trained selected staff from the three agencies and community organizations.
- **Department On Aging (IDOA):** In addition to providing job match assistance to all clients referred from the Department on Aging (IDOA), IDES registers older workers enrolled in the Senior Community Service Employment Program. Each year, IDES participates in IDOA's activities during National Employ the Older Worker Week.

FAMILY IMPACT STATEMENT

Unemployment places a great deal of stress and tension on family relationships. IDES programs offer support to families experiencing job loss with financial and reemployment assistance. UI provides benefits to eligible family members that help pay for basic requirements – food, clothing, and shelter. Benefits can reduce the drain on family assets and forestall the need to incur debt.

Economic pressures aside, the search for work can be a source of anxiety. Finding commensurate job, facing the prospect of learning new skills to replace those that have become obsolete, reentering the labor market after an extended absence; or entering the labor market for the first time can create feelings of uncertainty and self doubt that may negatively affect family relations. In the IDES/Illinois workNet Center environment, IDES' and its partners' programs can help individuals identify and overcome the barriers that stand between them and a prospective job. Assessments of vocational options and the development of planning steps to achieve career goals; training in work search and interviewing techniques, labor market and career information, vocational training, listings of job openings at the local, state, and national levels, and supportive services are coordinated to contribute to successful work searches.

SECTION TWO

CENTRAL ADMINISTRATION

CENTRAL ADMINISTRATION

ADMINISTRATIVE STRUCTURE

The Illinois Department of Employment Security is a cabinet-level state government agency under the leadership of a Director who is responsible for both general policy and day-to-day agency management. As of December 2010, the Department had 1,550 full-time employees and another 308 intermittent (i.e. part-time) employees located in the Chicago headquarters and in over 65 administrative and field offices throughout the state.

The Director maintains offices in Chicago and Springfield. The **Office of the Director** includes the Offices of:

Financial Operations, Legal Counsel and Federal Legislation, Human Resource Management, Labor Management Relations, Internal Audit, Equal Employment Opportunity/Affirmative Action, Appeals, and Economic Information and Analysis (EI&A)

Most of these offices are strictly administrative, while Appeals and EI&A have significant programmatic responsibilities. Appeals affords employers and claimants, dissatisfied with the Department's decisions in regard to Unemployment Insurance (UI) benefits or taxes, an opportunity to seek a more acceptable decision. EI&A collects, analyzes, and disseminates labor market information (LMI). The roles these units play are described in greater detail in Section IV of this plan.

Aside from the Offices of the Director, the remaining organizational structure consists of the following:

- The **Programs Bureau** provides centralized oversight of the UI and Employment Service (ES) programs to ensure consistent and compliant service delivery. The bureau also administers community relations, IDES' administrative and compliance planning function, and performance and management analysis reporting to monitor program workload and outcomes.
- The **Service Delivery Bureau** delivers all UI and ES activities through a statewide system of regional and local Illinois workNet Centers and IDES local offices and administers two additional program-based units at the Chicago headquarters. The Board of Review offers claimants and employers a second opportunity to appeal a decision on UI benefits, and the Quality Assurance and Compliance Review (QACR) Division ensures that UI performance standards and the accuracy of UI and ES data and benefit payments are maintained. A QACR subdivision, Benefit Payment Control, investigates and collects benefit overpayments. Finally, the bureau's administrative

functions support all units within the Department through facilities management, procurement, supplies distribution, procedural development, and an internal investigation process.

- **Information Services** develops, procures, and maintains the Department's electronic systems, including software and hardware resources and databases, required for the smooth operation of all programmatic and administrative functions.
- **Revenue** determines employer liability and the rate at which liable employers will pay contributions (revenue) or payments in lieu of contributions, collects UI taxes from employers, maintains employer accounts and resolves revenue-related issues.

An organization chart is included in the Appendix.

AGENCY FUNDING

TABLE SUMMARY OF FUNDS RECEIVED

The table below summarizes the funds received and utilized by the Department in the administration of its programs:

All Dollars in Thousands	SFY 09 Actual Expenditures	SFY 10 Actual Expenditures	SFY 11 Enacted Appropriation	SFY 12 Requested Appropriation
Non-ARRA Title III – Social Security and Employment Services Fund	\$221,050.4	\$256,879.6	\$311,524.9	\$316,519.0
ARRA Title III – Social Security and Employment Services Fund	\$0.00	\$15,429.6	\$16,200.0	\$4,000.0
Special Administrative Account (SAA)	\$13,471.7	\$13,550.3	\$14,100.0	\$14,100.0
General Revenue Fund (GRF) *	\$14,242.7	\$6,907.7	\$6,907.7	\$24,000.0
Other State Funds *	\$1,902.1	\$1,916.7	\$1,916.7	\$1,916.7
TOTAL	\$250,666.9	\$294,683.9	\$350,649.3	\$360,535.7

Source: ISL 100 & ISL 150 * For reimbursement of the Trust Fund for Unemployment Insurance payments to former state employees

SOURCES OF FUNDS

The bulk of the Department's funding comes from two employer-paid payroll taxes. One is the state tax, collected by the Department on a quarterly basis and deposited in the state's UI Trust Fund. This non-appropriated fund is used to pay UI benefits to eligible claimants under the Illinois UI Act. The second funding source is a federal tax, collected by the federal government under the authority of the Federal Unemployment Tax Act, or FUTA. FUTA funds both the state and federal administration of the federal/state cooperative employment security programs, such as UI, ES, LMI, and Veterans' Employment and Training Service (VETS) programs. FUTA also funds federal extended UI benefits and loans to state UI Trust Fund accounts.

Each program that IDES operates has its own unique federal funding formula as well as work products and reporting requirements. Although the distribution of federally-funded administrative costs varies from year to year, approximately 72% currently goes to UI; 25%, to ES; and the remaining 3%, to LMI programs.

The IDES General Revenue Fund (GRF) budget is typically less than 1% of the total state GRF budget. The GRF dollars that IDES receives, a \$6.9 million appropriation in SFY 2011, are used to pay unemployment compensation to former employees of GRF-funded state agencies. IDES receives no GRF dollars for administrative purposes.

The following summarizes the source and purpose of the non-GRF funds that IDES uses:

- **Title III Social Security and Employment Services Fund**, Fund Number 052 – Federal Funds.

Source: This fund includes FUTA revenues, which are collected from employers by the IRS and distributed by the U.S. Department of Labor (USDOL) via Congressional appropriation (cf. 820 ILCS 405/2103.) It is a repository for federal employment security administrative grants to operate federal/state cooperative employment security programs in Illinois.

Purpose: The funds are used to administer employment security programs and are restricted to the designated State Workforce Agency (SWA), i.e. IDES.

There are no match requirements or reimbursements.

- **Special Administrative Account**, Fund Number 055 – State Fund:

Source: The fund consists of penalty and interest revenues collected on delinquent UI tax accounts and is dedicated to Employment Security use (cf. 820 ILCS 405/2101).

Purpose: The funds are used to make up for federal funding shortfalls, outlined in Section 2101 of the Illinois UI Act. They also can be used for the payment of interest on UI loans, when applicable.

There are no match requirements or reimbursements.

- **Other non-GRF funds** that IDES receives are designated to reimburse Illinois' UI Benefit Trust Fund Account in the U.S. Treasury for the actual amount of UI benefits paid to former Illinois state employees (other than IDES'). They include the **Road Fund**, Fund Number 011 (IDES appropriation of \$1.9 million in SFY 2011), and the **Illinois Mathematics and Science Academy Income Fund**, Fund Number 768 (IDES appropriation of \$16.7 thousand in SFY 2011).

Source: See other agencies' budgets for the sources of revenue for these funds.

Purpose: The funds are used solely for UI Trust Fund reimbursement.

There are no match requirements or reimbursements.

PLANNING AND REPORTING REQUIREMENTS

IDES prepares a number of annual plans and reporting documents to satisfy state and federal requirements. Plans may cover a year or more and one of three kinds of fiscal years. State plans use the State Fiscal Year (SFY) which begins July 1 and ends June 30 of the following year. Federal plans may use either the Federal Fiscal Year (FFY) which runs from October 1 through September 30; or the federal Program Year (PY) which like the SFY, covers the period from July 1 through June 30.

Federal plans are required to obtain federal funding. Depending on the program involved, the Department submits plans and related reports to the Chicago regional office of one of the USDOL's agencies: the Employment and Training Administration (ETA), the Bureau of Labor Statistics (BLS), or Veterans Employment and Training Service (VETS).

STATE PLAN

- **Human Services Plan**

The Human Services Plan, required by Public Act 79-1035, the Illinois Welfare and Rehabilitation Services Planning Act, as amended, supports the Department's state budget process for the coming state fiscal year. It is produced biennially for even-numbered state fiscal years and must be submitted to the General Assembly by the first Friday in April. It is also distributed to other organizations, including state agencies, the state library, and Illinois educational institutions, and made available electronically through the Department's Internet and Intranet Web sites. The plan contains a comprehensive description of the Department, its programs and program initiatives, workloads and outcomes, and its resources over a multiyear period.

FEDERAL PLANS

- **Workforce Investment Act and Wagner-Peyser Act State Plans**

When WIA became effective in 2000, the annual Wagner-Peyser (i.e., ES) Plan and Agricultural Services Plan were consolidated with the WIA plan into the State Plan. The

State Plan is a comprehensive employment and training plan that is developed through a major cooperative effort of many state and local agencies that provide services to individuals seeking job training assistance and employment opportunities. Program goals and plan contents are specified by federal regulations and in guidelines developed by USDOL. Originally, the State Plan was a five-year plan that could be modified as needed. An updated interim plan in 2005 extended the State Plan for two more years. However, because Congress has not reauthorized WIA, ETA has given states the option to submit – or not – program modifications and revised performance goals annually. A new update is currently in development.

- **Wagner-Peyser Agricultural Services Plan**

Now part of the State Plan, the annual Agricultural Services Plan describes the Wagner-Peyser-funded services and service delivery methods that IDES provides to assist Migrant and Seasonal Farmworkers (MSFWs) and agricultural employers. The plan, required by federal regulation and submitted to ETA, contains:

- a projection of the state's agricultural production and an assessment of related labor needs for the coming season,
- the outreach activities that IDES will employ to inform MSFWs of the employment and employability services available to connect them to stable, year-round work,
- the resources available through IDES/Illinois workNet offices and other cooperating agencies and organizations to deliver these services,
- a plan to meet performance indicators and to overcome any foreseen obstacles to achieving them, and
- assistance that IDES will provide to agricultural employers, including Foreign Labor Certification-H2A activities, to ensure an adequate supply of agricultural labor.

IDES makes the Agricultural Services Plan available for comment to other public agencies, the Illinois Migrant Council, and agricultural employer organizations before submitting it to ETA.

- **UI State Quality Service Plan**

The annual State Quality Service Plan (SQSP) is the compliance document required to obtain federal funding to administer the Department's UI program for the coming federal fiscal year. The plan includes:

- a narrative overview of the Department's priorities and strategic directions to describe continuous program improvement efforts,
- an assessment of past and projected performance and comparisons to federal goals,
- identification of factors affecting performance and steps, including corrective action plans, that have or will be taken to correct program failures and deficiencies, and
- budget forms to request the annual grant for program administration.

The Department submits the SQSP to ETA annually.

- **Local Veterans Employment Representatives Program/Disabled Veterans Outreach Program**

In order to deliver services to veterans as prescribed by Title 38 United States Code, Chapter 41 and 42, IDES receives funding each federal fiscal year to station Local Veterans Employment Representatives (LVERs) and Disabled Veterans Outreach Program Representatives (DVOPs) in the Illinois workNet Centers and IDES offices. With the implementation of the Jobs for Veterans Act of 2002 and beginning with FFY 2005, IDES is required to submit five-year Plans of Service and annual grant modifications thereafter that describe Illinois' labor market conditions as they affect veterans' employment, the services and service delivery methods available to veterans through IDES/Illinois workNet offices and IDES' federal partners, negotiated performance goals, and annual budget requests based on projected funding allocations. IDES submits the plan and grant modifications to VETS. The latest five-year plan runs through FFY 2014.

- **Employment Services Cost Reimbursable Grant Plans**

With funds provided under Section 7(c) of the Wagner-Peyser Act, IDES administers the Workforce Information Grant and the Work Opportunity Tax Credit (WOTC) program. Workforce Information Grant plans are reviewed and co-approved by both DCEO and IDES and submitted before the July 1 start of the Program Year. Work plans, with workload estimates, required for WOTC certification services are submitted to ETA by September 1.

PROGRAM EVALUATION

UI PERFORMS

Federal oversight of State Workforce Agencies' UI program operations is accomplished through a comprehensive performance management system called UI Performs. The components of the UI Performs program include Benefits Timeliness & Quality (BTQ), Tax Performance System (TPS), Benefits Accuracy Measurement (BAM), and UI Data Validation (UIDV). UI Performs primary goal is to achieve continuous improvement of overall performance quality.

- **Benefits Timeliness & Quality (BTQ)**

The UI Benefits Timeliness and Quality (BTQ) review is mandated by USDOL/ETA. BTQ measures quality and timeliness for significant UI program operations, such as benefit payments and adjudication and appeals activities. Actual performance in these areas is measured against performance criteria known as UI Performs Core Measures.

Timeliness measurements are derived from the universe of workload items reported to ETA monthly. Automated computer programs identify all reported items by category and calculate the time lapse for each item according to ETA specifications. Quality measurements are obtained from samples selected quarterly. These sample cases are manually evaluated utilizing established ETA guidelines and quality criteria.

Because nonmonetary determination quality has been identified as having potential for improvement, this area continues to receive primary emphasis in Illinois. Structured reviews of nonmonetary determination quality produce statewide performance results which are not always useful in pinpointing area-specific weaknesses. Therefore, regional, local office, and field supervisory reviews are also conducted by a cadre of subject matter experts who evaluate strengths, weaknesses, and vulnerabilities and recommend corrective action.

- **Tax Performance System (TPS)**

The Tax Performance System (TPS) is a federally mandated program which evaluates the quality of state UI tax operations. TPS is intended to assist State administrators in improving their UI programs by providing objective information on the quality of thirteen tax operations. Quality is measured in terms of accuracy, timeliness, and completeness utilizing several different methodologies: Computed Measures and Program Reviews (Systems Reviews and Acceptance Sampling). While these methodologies can be used individually and in concert with each other, they build upon each other to comprehensively assess the strengths and weaknesses of Status Determinations, Cashiering, Report Delinquency, Collections, Field Audit, and several account maintenance functions.

New Employer Status Determinations is also part of the Government Performance Results Act (GPRA) and a Core Measure. The acceptable level of performance (ALP) established by the USDOL for new status determinations is 70%. In CY 2010, IDES' score of 84.4% exceeded the ALP for timeliness for new employer status determinations. As it strives to embrace the principles of consistent and continuous improvement, IDES has conducted reviews of the status determination function at the required statewide and regional level, aiding in the identification of strengths and weaknesses in each region.

- **Benefit Accuracy Measurement**

Benefit Accuracy Measurement (BAM) is a federally mandated and separately budgeted diagnostic instrument that measures the accuracy of benefit payments for the three largest permanently authorized programs: State UI, federally funded Unemployment Compensation for Federal Employees, and Unemployment Compensation for Ex-Service Personnel. Each week a sample of payments is randomly selected and investigated to determine their appropriateness. USDOL's UI Performs Annual Report includes a section on error rates, error by responsibility, and error by cause, using information gathered by BAM during the calendar year.

Mandated by the federal Office of Management and Budget (OMB), the Denied Claims Accuracy (DCA) program was implemented in June 2001. This program is designed to measure the accuracy of denials in three different categories: monetary determinations, separation determinations, and nonseparation determinations. Each week a sample of denied claims is randomly selected and investigated to determine

their accuracy. USDOL also publishes in the UI Performs Annual Report accuracy rates for each of the three types of denied claims for each state.

DATA VALIDATION

ETA requires states to conduct Data Validation, a systematic procedure for assessing the accuracy of UI benefits, UI tax, and ES data. In the course of the data validation process, reported counts and their underlying data are subjected to a series of tests with attendant pass/fail criteria. The results alert the Department to problematic areas that it can then investigate and take steps to resolve. The Data Validation program is a cost-effective means of ensuring the accuracy of required reports, which can be used for performance measurement and, in some instances, for budget formulation and allocation. Depending on the program to be tested, states must conduct data validation every one to three years.

LABOR EXCHANGE PERFORMANCE MEASURES

Seven key principles have guided the implementation of WIA, and perhaps the most significant of these is increased accountability. Stakeholders in the nation's workforce development system are eager to learn the impact of investments in the public labor exchange and how effectively the system helps individuals find jobs and employers access skilled workers.

On July 1, 2005, USDOL implemented Common Measures for all federal job training and employment programs. For IDES, the new measures applied to both the Wagner-Peyser and Veterans programs. These measures have evolved since then into the following for SFY 2011:

- **Wagner-Peyser Performance Measures**

- Exiters' Entered Employment Rate
- Exiters' Employment Retention Rate
- Exiters' 6 Month Average Earnings

- **VETS Performance Measures**

- For IDES/ Illinois workNet Centers***

- Veterans and Other Eligible Persons' Entered Employment Rate
- Veterans and Other Eligible Persons' Employment Retention Rate
- Veterans and Other Eligible Persons' 6-Month Average Earnings
- Disabled Veterans' Entered Employment Rate
- Disabled Veterans' Employment Retention Rate
- Disabled Veterans' 6-Month Average Earnings

In keeping with the Job for Veterans Act of 2002, common performance measures were also established for the Local Veterans Employment Representatives (LVER) and the Disabled Veterans Outreach Program Representatives (DVOP) programs:

DVOPs

Disabled Veterans' Entered Employment Rate (following staff assisted services)
Disabled Veterans' Employment Retention Rate

LVERs:

Recently Separated Veterans' Entered Employment Rate (following staff assisted services)
Recently Separated Veterans' Employment Retention Rate

Consolidated: DVOP/LVER Staff (Unduplicated Count)

Veterans and Other Eligible Persons' Entered Employment Rate (following Staff Assisted Services) Weighted in favor of outcomes for veterans who have received intensive services.
Veterans and Other Eligible Persons' Employment Retention Rate
Veterans and Other Eligible Persons' 6-Month Average Earnings

For the most part, IDES has negotiated performance goals annually with VETS. However, the Department has accepted ETA's option to extend its SFY 2009 goals through SFY 2011.

Common performance measures rely on the use of UI wage records to capture data for the employment and retention rates and average earnings. Because of the lag before wage records become available, the performance data are not current.

REVIEWS AND SPECIAL STUDIES

The Department conducts targeted reviews and special studies to improve services and ensure that information and services provided to customers are in accordance with federal requirements. These reviews and special studies include:

- **Reviews**

Shared Data Agreement Reviews

IDES maintains a data-sharing function for controlling issuance of both computerized and hard copy data to public or private entities requesting such data. Data sharing agreements are carefully monitored to ensure that only the agreed upon data specified in the contract are provided and that data provided are only used for the specific purposes set forth in the agreement. IDES conducts onsite reviews to ensure user compliance with the provisions of the shared data agreement.

Legal Services Program Reviews

The Legal Services Program provides legal representation by licensed attorneys to claimants and small employers who participate in benefit and tax hearings and in proceedings before the Board of Review. IDES currently contracts with four law firms to provide these services. Annually, IDES conducts a review to ensure their compliance with the provisions of the contract agreement. In addition, the Department conducts mail surveys to determine client satisfaction with the services the firms provided.

Procedures Review

The Procedures Manual contains codified IDES operating procedures that govern the manner in which the Agency performs its work. The Procedures Review unit plans and implements a comprehensive review of specified operating procedures. The review verifies if current practices are in compliance with established procedures and determines whether the procedures require updating.

Due to the priority given the IBIS project and the reassignment of staff to it, the Procedures Review function was deferred for a time. The review will be reinstated by the fourth quarter of 2011.

- **Special Studies**

IDES conducts special studies to identify specific opportunities to improve its services and to evaluate the programmatic impact of the strategic and tactical plans.

NEW HIRE Crossmatch

Beginning with Batch #200801, the first batch of CY 2008, BAM began federally mandated crossmatches of BAM paid cases with the National Directory of New Hires (NDNH). IDES runs an automated program that compiles information from all BAM paid cases. This information is then sent to the Illinois Department of Human Services which forwards the request to NDNH. The required match period for each case begins with the benefit year date and covers the immediate thirty-day period after the Key Week of the BAM investigation.

NDNH matches the name and social security number against information on file with the Social Security Administration and verifies that it is correct. If it does not match, a report for the case is generated and sent back to IDES which will display as a non-match, never issued, name does not match, birthday does not match, etc. This report is assigned to the respective BAM investigator who must then obtain a copy of the claimant's social security card to verify that the name on file with IDES matches the name on the card. If the information from the claimant obtained by the investigator differs from what was originally submitted to the NDNH, this corrected information is resubmitted to NDNH to do another match.

If the social security number and name match with Social Security Administration records, NDNH runs a search for each instance of an employer reporting a new hire for that name and social security number from the beginning of the claimant's benefit year until 30 days after the claimant's BAM Key Week. IDES' Information Services Division receives these results and sends a report on each case to the BAM unit.

Upon receipt, the BAM unit distributes the report to the investigator assigned to the case. Each paid case must contain a response file to verify that a match has been conducted. If the response file contains a New Hire match for any reason, the assigned agent must investigate any new hires on the response file for unreported earnings or

for any other issues that may affect the Key Week payment using standard BAM methodology.

In CY 2010, BAM referred approximately 500 cases and 108 (21.6%) of them resulted in a New Hire match.

PUBLIC ACCOUNTABILITY PROJECT

Input Indicators, Output Indicators, Outcome Indicators, External Benchmarks and Efficiency/Cost Effectiveness data for the UI, ES, and LMI programs are submitted to the Illinois Comptroller for inclusion in the Service Efforts and Accomplishments section of the Annual Financial Report. Virtually all of the data are gleaned from the Department's initiatives and strategies, internal plans of service, and program evaluation reports.

BENEFIT PAYMENT OVERSIGHT

IDES performs a number of activities to safeguard the UI Trust Fund and carry out the mandates of the UI Act. The Department maintains a Benefit Payment Control (BPC) Program to minimize improper benefit payments, identify and investigate claimant and employer fraud and non-fraud overpayments, and recover overpaid UI benefits.

PREVENTION

The responsibility for preventing erroneous and fraudulent benefit payments begins with the taking of benefit claims at the IDES/Illinois workNet Centers. The Department emphasizes and staff focus on meeting rigid quality and timeliness standards to prevent the payment of erroneous benefits in the day-to-day processing of claims, payments, and nonmonetary determinations. Regional offices closely monitor the performance of the Illinois workNet Centers and local offices so problem areas can be detected early and corrective action taken.

IDES works with the Immigration and Naturalization Service (INS) and the Department of Homeland Security to prevent benefit payments to illegal aliens and to pay eligible aliens promptly. Under Project SAVE (Systematic Alien Verification for Entitlements), the INS allows state workforce agencies access to its computer records to verify resident status. Since 2004, IDES has also used the Verification Information System (VIS), a real time response system provided by the Department of Homeland Security, to identify alien status issues immediately. Local office staff access the system at the time a claim is filed and are able to verify a non-citizen's authority to work as the claim application is processed.

As the agency moves toward more remote methods of claim taking, including telephone and Internet claims and certifications, the importance of verifying claimants' identities becomes paramount. In addition to utilizing the SAVE and VIS programs, IDES will begin a limited pilot of the Social Security Administration's Unemployment Insurance Query (UIQ) system, on or about May 1, 2011. UIQ allows states to identify invalid social security numbers (SSN) and SSN, name, and date of birth mismatches.

The Department is also searching for additional “authentication” techniques to help ensure that the individual who files the claim, certifies continued eligibility, and receives benefits is the individual who worked and earned the wages used to establish the claim. Immediate verification will increase IDES’ ability to further ensure that UI benefits are paid only to individuals whose identity has been verified.

DETECTION

Using automated systems and investigations, IDES’ BPC program monitors the conduct of the UI program, to ensure the honesty and integrity of both employers and claimants. In addition to investigating tips and leads received from the public, BPC obtains potential overpayment cases from quarterly crossmatches of wage reports against benefit payment records. The crossmatch includes wages earned in Illinois, the border states of Indiana, Iowa, Kentucky, Missouri, and Wisconsin and the nationwide Interstate Benefit Payment Control Crossmatch. Cases for investigation and resolution are drawn from “hits” – individuals who have received UI benefits and wages during the same period.

BPC also conducts an additional crossmatch using the Illinois New Hire Directory in order to minimize both the detection lag period and the amount of overpayments paid to claimants because of unreported employment and earnings. IDES shares New Hire information with the Department of Healthcare and Family Services to assist in child support enforcement.

Additional sources for investigations include duplicate payments, newly liable employers, and verification of claimant address changes. All sources may produce potential overpayment cases for follow-up.

BPC’s Special Investigations unit investigates fictitious employer cases and fraudulent employer activities which result in the improper payment of benefits. They also investigate allegations of identity theft and use a multi-claim/single address report to detect unusual payment patterns and mass fraud schemes. BPC investigators work with other state and federal investigative units to obtain convictions in state and federal courts when fraud is detected.

RECOVERY

Recovery of overpayments is critical to the UI Trust Fund’s maintenance and an integral part of the Department’s BPC program. BPC uses four major methods to recover overpayments: recoupment from benefits paid; an in-house collection program; the Comptroller offset; and referral to the Attorney General for civil and criminal prosecution.

- **Recoupment**

Current law provides for the automatic recoupment of benefits to offset any fraud or non-fraud overpayment. However, a claimant who was overpaid must be eligible to receive benefits for recoupment to occur. For regular UI, the law sets recoupment at no more than 25% of each benefits payment for non-fraud overpayments and at 100% of

a benefits payment for fraud overpayments. Fraud overpayments for the EUC program are recouped at 50%. A non-fraud overpayment can be recouped in five years, while fraud overpayments may be recouped indefinitely. For fraud overpayments, the law imposes a period of ineligibility for benefits (penalty weeks) based on the number of weeks determined as fraudulent.

- **Collections**

The Department administers a vigorous program to collect both fraud and non-fraud overpayments. An automated system generates cases and a series of dunning letters which are sent to overpaid claimants. Claimants have the option of repaying the total amount owed or entering a repayment plan to settle the account within a specified period of time. If claimants default, they may face legal action.

In order to improve the benefit repayment process and provide current overpayment information, IDES established a lockbox operation specifically for collections with Illinois National Bank. Overpayment determinations and billing notices include pre-addressed repayment transmittals with envelopes for return payment by check, money order, or major credit card issued in the claimant's name. BPC sends receipts, indicating the current, updated overpayment balance, for all payments received.

- **Comptroller**

IDES refers benefit overpayments to the Office of the Illinois Comptroller for offsets of state warrants. Each month, IDES submits a magnetic tape to the Comptroller containing claimants' names, social security numbers and the dollar amounts they owe IDES for fraud or non-fraud overpayments. The Comptroller crossmatches the tape against most Illinois warrants (certain disability payments are excluded), deducts the overpayment and forwards the recovered amount to the Department. BPC collection staff investigate and respond to protests of Comptroller offsets.

- **Prosecution**

IDES regularly prepares and forwards overpayment cases to the Office of the Attorney General for civil judgments and liens and criminal prosecution under the State Benefits Fraud and Perjury statutes. A criminal conviction is a felony and carries up to five years in prison and a \$10,000 fine.

Additionally, BPC will continue to partner with the US Office of the Inspector General on our common objectives to unfold fictitious employer schemes; identify and reduce the unauthorized redirection of claimant benefits, and provide support for the prosecution of fraudulent criminals.

BENEFIT OVERPAYMENT ANALYSIS

Fraud overpayment recovery has maintained high rates over the past several years while those for non-fraud have declined. Fraud recoveries, at 74.7% in SFY 2008, reached a high point (95.2%) in SFY 2009, and ended SFY 2010 at 90.7%. Over the same period, the non-fraud recovery rate dropped approximately 10% per year, ending SFY 2008 at

59.1%, SFY 2009 at 49.7%, and SFY 2010 at 39.8% as the Department focused on the collection of fraud overpayments.

■ STATE UI BENEFIT OVERPAYMENTS ■

	SFY 2008	SFY 2009	SFY 2010
Fraud Overpayments Established	\$25,982,765	\$26,789,769	\$26,294,172
Fraud Recoveries	\$19,421,683	\$25,500,598	\$23,851,883
Non-fraud Overpayments Established	\$46,322,783	\$69,289,497	\$99,396,088
Non-fraud Recoveries	\$27,390,926	\$34,415,176	\$39,579,234

BENEFIT PAYMENT CONTROL PROGRAM EMPHASIS SFY 2011-SFY 2012

IDES will add a new tool to its benefits recovery arsenal with its participation in the US Department of the Treasury's Treasury Offset Program (TOP). Similar to the arrangement the Department already has with the Illinois Comptroller, TOP will recover federal dollars owed to UI debtors and return the money to the states. Originally designed to collect UI debts due to fraud, TOP was expanded by the Claims Resolution Act of 2010 to include non-fraud overpayments, uncollected contributions, and any related penalty and interest if the debt was due to failure to report earnings or delinquent contributions. The Act also removed the 10-year statute of limitations on debt collection. In order to participate in TOP, IDES must submit its Safeguards Procedures Report (SPR) to the Internal Revenue Service for approval. Treasury's Financial Management Service (FMS) must receive the IRS' approval letter before the first transaction. The Department plans to have its SPR approved and its transmissions tested by FMS in time for the next federal tax season. TOP's charge per offset (\$17 at this time) will be more than compensated by the expected large recoveries. As an example, New York State recently recovered an estimated \$6.5 million in one week through TOP.

QUALITY IMPROVEMENT INITIATIVES

The following summarizes current quality improvement initiatives.

ASSESSMENT OF CUSTOMER REQUIREMENTS

IDES conducts surveys of UI claimants and Legal Services Program clients to measure their levels of customer satisfaction with selected services. Semi-monthly, the Department mails surveys to new UI claimants who filed for benefits in person. Their feedback helps the Department assess satisfaction with the courtesy of staff, the explanation of eligibility requirements, promptness of service, and their use of Tele-Serve and Illinois Skills Match. Survey reports compiled from claimants' responses are distributed each quarter for review. Returned survey instruments that contain claimants' written comments or complaints, or their requests to be contacted by IDES staff are routed to the appropriate local office.

Claimants who elect to file for benefits electronically are asked to complete a brief survey included at the end of the Internet claims taking process. The survey captures information on the clarity of the filing instructions and the questions asked, the length of time required to file, and the location of the computer from which they filed their claim.

IDES also conducts periodic mail surveys of the recipients of free legal services under the Legal Services Program.

IDES SUGGESTION BOX

IDES uses an online suggestion box, linked to the Department's Intranet Home Page, to encourage staff to submit process improvement suggestions. The suggestion box administrator screens all suggestions and forwards them by e-mail to the responsible manager for review and, if appropriate, implementation. Outcomes are logged and results are fed back to the employees submitting the suggestions.

QUALITY IMPROVEMENT INITIATIVES SFY 2012

- Continue to assess and improve the quality of service provided to UI claimants at local office locations and online.
- Continue to assess and improve the quality of service provided to Legal Services Program clients.
- Continue to encourage employees to submit suggestions that improve the efficiency and effectiveness of the Department's operations.

SECTION THREE

WORKFORCE INVESTMENT ACT

ILLINOIS workNet CENTERS

WORKFORCE INVESTMENT ACT OF 1998

BACKGROUND

The Workforce Investment Act (WIA) of 1998, which became effective in Illinois on July 1, 2000, replaced the Job Training Partnership Act and inaugurated a comprehensive reform of the nation's job training and ES programs. The stated goal of the Act is “to increase the employment, retention, and earnings of participants and increase occupational skill attainment by participants, and, as a result, improve the quality of the workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the Nation.” WIA provides guidance to states and local areas on the development of a workforce investment system that provides a broad array of employment-enhancing services to individuals and employers. To accomplish its goal, WIA's comprehensive workforce investment system depends on the collaborative effort of a variety of stakeholders, including the public and private sectors, and community organizations. Streamlined services, universal access, empowered clients, state and local flexibility, and increased accountability are among the themes that run through the legislation.

WIA streamlines services by integrating the service delivery of various federal programs and creating a set of “seamless” services designed to eliminate the categorical labels individuals have traditionally encountered when seeking assistance. Instead, WIA offers a continuum of services individuals need to reach the immediate objective of employment or increased income. This service continuum consists of three tiers: self-accessed core services available to anyone and intensive and training services available based on individual needs and circumstances. The more assistance individuals need the further along the continuum of services they move. See “Illinois workNet Centers” in this section for a more detailed description of available services, how the partners work together to provide them, and the process for accessing them.

GOVERNANCE

The workforce investment board is the workforce system's governing structure under WIA. Each state and each local area within the state is required to have a workforce board. The State Board's role is to provide leadership and guidance to the local areas, in accordance with the intention of the Act, to foster local flexibility in designing a workforce system that best meets the needs of the local labor market. Illinois' State Board is the Illinois Workforce Investment Board (IWIB.) The purpose of the state's 26 local workforce investment boards (LWIBs) is to provide oversight of the workforce system within their jurisdictions, the local workforce investment area (LWIA). WIA outlines the boards' composition to include representatives from the private sector, labor, community

organizations, and economic development organizations, as well as a member from each of the One-Stop program partners. As a partner, IDES is represented on each local board. WIA has given the private sector the leadership role on the boards. While WIA mandates the components of the comprehensive workforce system, states and local areas, respectively, determine how to structure the system.

REAUTHORIZATION OF WIA

WIA legislation expired on September 30, 2003, but its programs continue to be funded through continuing resolutions. Congress has not taken action to amend or reauthorize the Act. IDES will continue to work with its state and local partners to recommend workable improvements to make the programs more effective.

The initial WIA Five Year State Plan expired on June 30, 2005. In the absence of reauthorization, ETA has provided states with guidance on the submission of interim plans and performance goals to continue the administration of the WIA/Wagner-Peyser programs. For the past several years, this guidance has been issued annually.

ILLINOIS workNet CENTERS

BACKGROUND

Illinois applied for and received a grant from the U.S. Department of Labor (USDOL) to establish a network of One-Stop Career Centers in 1995, prior to passage of WIA. This three year grant enabled Illinois to open One-Stop centers, originally called Illinois Employment and Training Centers (IETCs) but now known as Illinois workNet Centers, throughout the state. The centers were designed to house a broad spectrum of employment and training programs to enable customers to access multiple services under one roof. Currently, IDES staffs 61 offices through which it delivers services statewide.

SERVICE STRUCTURE

The IDES/Illinois workNet Centers are the cornerstone for the delivery of local area workforce investment services. WIA calls for local flexibility in determining the mix of services that will be offered and the points of delivery. Each Local Workforce Investment Board (LWIB) is required to assess the opportunities and needs of its labor market – individuals and employers – and design a local service delivery strategy that meets them. A minimum of one “comprehensive” One-Stop center is required in every local area, but additional comprehensive centers or satellites may be established.

WIA Title I established a three-tiered service structure which includes core, intensive, and training services. Each of these levels use a mix of services designed to help individuals obtain employment or achieve self-sufficiency as quickly as possible. In keeping with the concept of universal access, core (i.e., basic) services are available to all clients and, for many, may be all that is needed to satisfy their employment-related needs. Individuals who require assistance beyond the core services may be assigned to intensive services or training services. Access to these levels of service may be governed by eligibility criteria, depending on program requirements.

In summary, individuals must participate in a minimum set of activities at each level before advancing to the next. Each LWIB and the local Illinois workNet partners must agree on what that minimum is and what triggers access to the next level.

The following are examples of activities that fall into each service level:

Core Services	Intensive Services	Training Services
<ul style="list-style-type: none"> – Outreach intake and orientation. – Job search and placement assistance including career counseling. – Labor market information: job listings, skills required for in-demand occupations, and area employment trends. – Initial assessment of skills and needs. – Information on eligible training providers, performance outcomes, One-Stop services and activities, UI, and supportive services. – Follow-up services for at least 12 months. 	<ul style="list-style-type: none"> – Comprehensive and specialized assessment. – Development of an individual employment plan. – Individual counseling and career planning. – Case management for customers in training. – Short-term prevocational services (AKA “soft skill” development). – Out of area job search assistance or relocation assistance. – Internships. – Literacy activities. 	<ul style="list-style-type: none"> – Vocational/ occupational skills training. – On-the-job training. – Cooperative education programs and private sector training programs. – Employer customized training. – Job readiness training.

IDES/ILLINOIS workNet CENTER PARTNER PROGRAMS

WIA requires that specific programs participate as One-Stop partners in the comprehensive Illinois workNet Centers. Of the following mandated programs, IDES administers the first four (in bold font):

- **Unemployment Insurance (UI)**
- **Employment Service (Wagner-Peyser Act)**
- **Veterans' Employment Service**
- **Migrant and Seasonal Farmworker Program**
- WIA Title I: Adult, Youth, Dislocated Worker, Job Corps
- WIA Title II: Adult Education and Literacy
- WIA Title III
- Post-Secondary Vocational Education

- Trade Adjustment Assistance
- Community Service Employment for Older Americans
- HUD Employment and Training Programs
- Vocational Rehabilitation
- Welfare-to-Work Block Grants
- Community Services Block Grants

The State of Illinois added the following two programs as mandatory partners:

- Food Stamp Employment and Training Program
- Temporary Assistance for Needy Families (TANF)

The services currently offered to individuals seeking employment through the Illinois workNet Centers include:

- Orientation
- Job Search Skills Training/Resume Preparation
- Assessment/Counseling
- Career and Labor Market Information
- Support Services
- Job Placement
- Unemployment Insurance
- WIA Training

The services currently offered to employers through the Illinois workNet Centers include:

- Job Matching and Referral
- Posting Job Vacancies
- On-Site Recruitment of Prospective Employees
- Certification for Tax Credits
- Local Area Workforce Profiles and Workforce Availability Information
- UI Tax and Benefit Information
- Economic Development Information
- Worker Adjustment & Retraining Notification (WARN) and Rapid Response Services
- Fidelity Bonding for High Risk Workers

PRODUCTS AND SERVICES

The IDES/Illinois workNet Center promotes a seamless service system for clients seeking employment, career direction, or training. Most services, such as job referral and placement and labor market information for career choice, are available to all customers. Other services, such as job training, are available to customers who meet WIA's eligibility criteria. Customers can locate their nearest IDES/Illinois workNet Center by telephoning

toll-free **1-888-367-4382** and entering their zip code at the prompt. A similar online office locator feature can be found on IDES' Web site, www.ides.illinois.gov.

SERVICES FOR LIMITED ENGLISH PROFICIENT (LEP) CLIENTS

To ensure that limited proficiency in English does not limit equal access to services, the Department provides language assistance to clients who otherwise might not be fully served. IDES now employs over 123 bilingual staff that provide services in Spanish, Polish, or Cantonese and uses a telephone language interpretation service to provide assistance in another 55 languages. In addition, the Department continues to expand its stock of written materials, from bilingual signage to translations of relevant service-related documents. With the implementation of Illinois JobLink, IDES' new online labor exchange system, in fall of 2011, job seekers will be able to select their language preference from over a dozen choices, including Polish and Spanish, to register for employment.

RESOURCE CENTERS

Each IDES/Illinois workNet Center has a designated area for a Resource Center. In many ways, the Resource Center is the heart of the Illinois workNet Center. It is here that customers can find employment-related information through the Internet-equipped computers installed there and in a library of books and brochures. The following describes the information available:

JOB SEARCH AND CAREER INFORMATION SYSTEMS

- **Illinois Skills Match** (www.illinoisskillsmatch.com) and **Illinois JobLink**

For nearly twelve years, Illinois Skills Match (ISM), an Internet-based job matching system, has been a key component of IDES/Illinois workNet Center services. ISM is not only available to IDES staff, but to all Illinois workNet Center partners and customers. Since ISM is housed on the Internet, it is available to self-service clients, both employers and job-seekers, 24 hours a day, 7 days a week. Job seekers can enter their own applications; and once registered, employers can enter their own job orders. The system is based on matching the specific skills and experience options required for a given job to the specific skills and experience options of a job applicant. In the fourth quarter of CY 2011, ISM will be replaced by Illinois JobLink (IJL). With its job searching functions, IJL will provide even greater access to employment locally or throughout the nation. In addition, it affords improved resume assistance to job seekers and more exposure of their resumes to employers, greatly expanding their opportunities for reemployment. (See the Employment Service portion of Section 4 of this Plan for more information on ISM and IJL.)

- **OneSource** (www.ILWorkInfo.com)

This portal page is a gateway to workforce and career information in Illinois. From this site, customers can link directly to the Workforce Info Center, LMI Source, and Career Resources Web sites. (For more details on these sites, see the Labor Market Information portion in Section 4 of this Plan.)

- **Illinois workNet**

IDES has worked closely with the Illinois Department of Commerce and Economic Opportunity (DCEO) in the continuing development and maintenance of Illinois workNet, a portal that provides job seekers and businesses with a full spectrum of workforce development services. To ensure that the workNet system works seamlessly with the latest IDES Web-based services, IDES staff keep DCEO and the Illinois workNet administrators updated on any changes and additions.

- **Career One-Stop** (www.careeronestop.org)

Career One-Stop is a national Internet-based system that includes America's Career Information Network (ACINet) and America's Service Locator (ASL). The Career One-Stop portal page, introduced in September 2002, links to these core products. ACINet and The Career One-Stop portal also include direct links to state-based job matching systems.

- ***America's Career Information Network (ACINet)*** is a searchable database of labor market information for career decision making. It includes employment trends, wages, training requirements, economic information, area cost of living information, licensed occupation data, industry information, a career resource library, and an employability checkup tool and has links to all states' labor market information and localized career information resources.
- ***America's Service Locator (ASL)*** is a tool to help employers and job seekers find the services they need at a conveniently located One-Stop Career Center. Users simply enter their ZIP code and select the desired service(s), or they can call toll-free 1-877-US-2JOBS for direct assistance in locating services in their area.

- **Workforce Information Employer Database**

The Workforce Information Employer Database is leased by the USDOL/ETA as part of a national strategy for creating a comprehensive database of information on employers across the country. The database contains more than ten million businesses in the United States and over 50 data elements for each, e.g., employer name, address, industry, telephone and fax numbers, contact title and name, mailing and Internet addresses. Users can search the database for employers in a certain geographic location or industry. Job seekers who target their job searches to a specific type of employer can use this system to make a preliminary assessment of whether an employer hires persons with their specific skills and in their selected occupational field.

Information on state-specific businesses is also extracted and loaded into the state's Workforce Information Database. Internet users can access the information from any location, 24 hours a day, 7 days a week, by visiting the Workforce Information Center site at www.ILWorkInfo.com.

- **Illinois Career Information System (CIS)**

The Illinois Career Information System (CIS) provides descriptions of occupations, educational programs, schools and financial aid, and information needed to select and prepare for careers. CIS can be accessed from the Workforce Information Center site at www.ILWorkInfo.com.

- **Phone Notification System (PNS)**

This system is designed to automatically deliver customized messages to customers regarding job listings and other information on IDES/Illinois workNet services (e.g., appointment times, workshop schedules, etc.). The goal of the system is to improve customer service and communications efficiency. The PNS system has proven very effective in rapidly notifying job seekers of job listings and notifying employers and job seekers of upcoming employment events.

JOB TRAINING

When qualified participants/customers receive intensive services but are unable to find employment, they may receive WIA training services which are directly linked to job opportunities in their local area. These services may include occupational skills training, skill upgrading, on-the-job training, entrepreneurial training, job readiness training and adult and literacy activities in conjunction with other training. Local community colleges are active partners in the IDES/Illinois workNet Centers, so information on their training programs, as well as those of other public and private training providers, is readily available.

Access to WIA training is centered on the Individual Training Account (ITA), a method by which qualified individuals can receive training. Training providers apply for certification and submit information on their program performance, including cost, as part of the certification process. If certified, providers and their program performance information appear on an Internet-based statewide list of those eligible to receive ITAs. When individuals receive an ITA, they can review the performance information to compare and contrast training programs and decide which program best suits their needs. Assessment by Illinois workNet Center staff must deem the training chosen as appropriate for the individual.

LABOR MARKET AND CAREER INFORMATION

IDES publishes and distributes a variety of labor market and career information, both online and in paper, and provides training and technical assistance in its use and application.

- **Internet Sites and Publications**

Labor Market Information (LMI) products, publications and services include:

- Workforce Info Center, <http://illinois.virtuallmi.com/>;
- LMI source, <http://lmi.ides.illinois.gov/>;
- Career Information System (CIS), <http://ilcis.intocareers.org/>;
- Career Click, <http://www.workforeinfo.state.il.us/>;
- CIS Junior, <http://www.ilcis.intocareers.org/loginmain.aspx?Sitetype=2>;
- *Learn More Earn More: Illinois' high-demand, high-wage occupations*;
- *Kids and Careers: How Families Can Help Youth Succeed*;
- Long- and short-term employment projections for industries and occupations; and,
- Special reports on wages, employment by location, largest employers, and special labor force groups.

- **Technical Assistance**

Technical assistance on the availability, use and application of LMI and its integration with other social and economic indicators is available to individuals and groups on request and as staff are available. Services include:

Individualized Labor Market and Career Information Training – Provision of LMI training and technical assistance to meet the needs of organizations with specific interests, such as career guidance centers, LWIBs, and other state agencies.

Personal Assistance – Responses to written inquiries, e-mail messages, or telephone requests for specific LMI or for help in applying it to a particular use or problem.

Public Information – Preparation of or assistance in the preparation of LMI-related press releases or similar announcements and briefings on labor market conditions and selected planning information.

Seminars and Conferences - Seminars and conferences conducted independently or jointly with cooperating agencies. IDES offers overviews of the types of LMI available and their appropriate use to groups of users with common interests or needs.

Customized cost-reimbursable labor market information is provided in response to requests for assistance in developing curricula, economic development plans, local area evaluations, or transportation assessments, including data packages on sub-county areas or user-defined regions and industry categories for community economic development or special research projects.

- **Local Labor Market Economists**

IDES' local labor market economists (LMEs) are major contributors to the IDES/Illinois workNet Centers' successful implementation. These local experts are available to provide analysis, disseminate products and services, conduct training, and provide

technical assistance. They also are responsible for the assessment of local LMI needs and for the development of new LMI products to serve both the IDES/Illinois workNet Centers' customers and staff.

IDES' network of LMEs will continue to serve all partner agencies and audiences in the IDES/Illinois workNet Centers. This assistance will help each LWIB, its staff, and all partners to establish a local identity as the "workforce solution" for their communities.

SECTION FOUR

PROGRAMS

EMPLOYMENT SERVICE

BACKGROUND

The Employment Service (ES) as known today dates to 1933 when the Wagner-Peyser Act authorized the establishment of a national system of public labor exchange services. The labor exchange system and its goal of helping employers fill job vacancies quickly with the best qualified workers available has served Illinois and the nation through the Great Depression and prosperity and war and peace for nearly eighty years.

The Workforce Investment Act (WIA) of 1998 amended the Wagner-Peyser Act and directed that its labor exchange services be provided as part of the states' One-Stop customer service system. The ES Strategic Plan of 1997 served as the blueprint for integrating the labor exchange program into Illinois' One-Stop network, now called the Illinois workNet Center network.

The Strategic Plan also established ES' role in the Centers as the primary supplier of job opportunities. However, recognizing that its labor exchange infrastructure needed upgrading to meet new demands and to take advantage of available technology, the Department created an automated, Internet-based job matching system, Illinois Skills Match (ISM). Launched in 2000, ISM is available 24/7, facilitates self-service, and provides real-time matches based on job skills, education, and work preferences. In the fall of 2011, ISM will be replaced with Illinois JobLink (IJL), a system that is even more user friendly and that will better integrate the many stakeholders in the workforce system.

While ES services are available to anyone legally able to work in the United States, the Department has focused on the reemployment of UI claimants in recent years. With their recent experience in the labor force and, often, their more marketable skills, claimants more frequently fit employers' job requirements. In addition, as part of the integrity role of the UI program, they are required to register with ES to comply with work search requirements. Failure to do so, may affect their continued eligibility for benefits. The prompt reemployment of UI claimants results in savings to the UI Trust Fund and assures employers that their tax dollars are used effectively.

STRATEGIC GOALS

On-going strategic planning in ES has resulted in the identification of seven "Key Strategic Issues." These are:

- 1. To enhance the internal, shared vision for the delivery of ES by all IDES staff.**
IDES' leadership will continue to focus on the promotion of business processes that raise the number and quality of job opportunities available to job seekers through its job matching systems and other integrated services.

2. **To cultivate and develop more effective relationships with new and existing employers.** ES staff will be forward-focused with the development of outreach processes that yield increased business from existing employer relationships and with staffing priorities that support employer service goals.
3. **To develop improved and more effective relationships with job seekers.** ES must identify the job seekers (i.e. professional, entry-level) it will target and determine how to align job seeker services with employer needs and staff priorities.
4. **To successfully transition from Illinois Skills Match to Illinois JobLink (IJL) and subsequently, to fully promote IJL's efficacy.** IDES will assess IJL periodically to identify potential enhancements that will strengthen its capabilities and provide optimal results for system users.
5. **To enhance existing, and develop new business partner relationships.** The Department will focus its attention on expanding existing workNet partner relationships while also creatively thinking about establishing new ones to increase ES' effectiveness.
6. **To utilize LMI and UI claimant information more effectively as a value-added component of ES.** Subject matter experts will determine the best way to utilize IDES' data to provide targeted services (e.g. regional or sector-based) to employers and job seekers.
7. **To create tools to effectively manage employer relationships.** ES will identify the requirements of an employer management system to better meet employer needs while improving staff coordination.

COMMUNICATIONS AND OUTREACH

Effective communications and outreach heighten awareness of IDES' services and build the partnerships needed to ensure the distribution of services to all communities. To accomplish this goal, the Department will unify and update its message in all IDES publications and launch new forms of outreach to external audiences. A first step – to unify both the message and the “look” across publications – will establish an identifiable IDES “brand.” Uniformity and the recognition factor will enhance the perception that IDES is a source of work supports and services. The next step will ensure that published materials available at more than 60 IDES offices across the state are up-to date.

The Department will identify training opportunities for local staff on the publications' content, if needed. In addition, the Department has turned to a common electronic medium to highlight its various employment services. Through its participation in the Job Help Hotline, a monthly live call-in program seen throughout Chicago on Chicago

Access Network Television, IDES engages in stimulating on-air discussions of effective job search strategies and employment and labor market information services. The Department also interviews recruiters for the hospitality, trucking, computer and manufacturing industries, informing viewers about these businesses' hiring needs and requirements. The station's five local channels reach one million viewers each week, giving the Department's comprehensive employment services a broader exposure than would otherwise be possible.

Through its outreach efforts, IDES establishes working relationships with employers and their associations, as well as with community- and faith-based organizations, to target service delivery to underserved communities. These partnerships marshal resources and generate actions that taken together produce an impact greater than the sum of individual actions. From this position of strength, addressing the endemic problems of higher-than average unemployment among minority populations, the formerly incarcerated, youth, persons with disabilities and low-skilled workers are more likely to result in positive outcomes. As an example of the results such partnerships can achieve, IDES, the Digital Workforce Education Society, the Chicago Community Colleges, and the Cook County Boot Camp united in the Boot Camp Employment Initiative to provide vocational training to the program's young male offenders and to offer employers support services to motivate them to hire Boot Camp graduates. The Cook County Boot Camp reported that 1,745 Boot Camp graduates were employed after the one year program. In 2008, the USDOL's Employment and Training Administration (ETA) honored IDES' role in the program with the Recognition of Excellence Award.

IDES' Office of Community Relations continues to focus on identifying best practices state wide and throughout the nation that address and remediate the challenges some jobseekers face by collaborating in projects such as the 211 Pilot (IL AIRS), Illinois Welcoming Center (DHS), and the Government Partnership on Economic Development. A central focus of this effort will be the coordination of "Meeting Business Needs" workshops to promote IDES programs and services that help communities acquire and maintain self-sufficiency.

SYSTEM-DELIVERED JOB MATCH SERVICES

Automated job matching systems meet the employment needs of job seekers and employers. They are available to clients 24/7, they offer a continually refreshed database of job orders and applicant profiles or resumes, and they enable self-service through the Internet.

Currently, Illinois Skills Match (ISM) is Illinois's labor exchange system. ISM will be retired in the fall of CY 2011 when Illinois JobLink (IJL) comes online. While it shares some of ISM's qualities, IJL is considered more advanced and user friendly. The following describes those features.

EMPLOYER INPUT

- **Service Options**

Employers have three service options available to them: 1) self-service, 2) facilitated self-service and 3) staff assisted service. IDES encourages employers to use the self-service option whenever possible; but if they need assistance, IDES staff is available to help. IDES/Illinois workNet Center staff members are also available by phone or in person to serve employers who prefer that staff perform IJL transactions for them.

- **Employer Registration**

Employers gain access to IJL's labor exchange services through registration. To register, employers must furnish information about their establishment, such as FEIN and/or UI numbers, to allow the Department to verify their legitimacy. Employers verified as bona fide and legitimate will be approved to list their job openings in IJL.

- **Job Orders**

IDES accepts bona fide job orders of one or more job openings from public and private employers. Employers list the basic worksite information, salary and hours, and the skills and experience options required to perform the job. Depending on the level of service the employer requires, either the employer or IDES staff enters this information. Once the job is listed in IJL, job seekers have access to potential employment through IJL's job search function, while other search features give employers access to job seekers and their resumes.

As of December 31, 2010, 48,737 active employer accounts were registered in ISM compared to 46,722 for calendar year (CY) 2009. The job order count for CY 2009 decreased to 30,751 due to the economic recession that began in December 2007, but increased to 45,594 for CY 2010. All current client and report data will be converted to IJL.

APPLICANT INPUT

IDES will register any individual who is legally authorized to work in the United States. There are no requirements as to place of residence, current employment status, or occupational qualifications.

- **Preliminary Assessment of Needs – Orientation and Routing**

Applicants seeking service at IDES/Illinois workNet Centers are greeted by a staff member who, after determining the purpose of their visit and their employment service needs, directs them to the appropriate self-service resource or staff member for assistance. The applicant receives information or an orientation on the IDES/Illinois workNet Center services available. The IDES/Illinois workNet Centers encourage job seekers to use self-service resources whenever possible to meet their employment needs, while staff remain available for additional assistance, as needed.

- **Registration for Employment Services**

Applicants can self-register for employment services in ISM or IJL from any PC with Internet access – from home, at an IDES/Illinois workNet Center, at a public library etc. All data required for the delivery of services is recorded in the system, including the applicant's work history, educational background, salary history, geographic and other work preferences, and skills. With IJL, job seekers will be able to enter an abbreviated "basic" registration solely to search for employment. If they need more extensive employment services, they may enter a full registration or Plus Account. It is critical that the job seeker's Plus Account is complete and accurate in order to achieve a successful job match or to identify the need for other job readiness services.

In SFY 2009, the ISM reported 536,069 "Total Participants," and in SFY 2010, 492,351.

JOB MATCH - REFERRAL AND PLACEMENT

Based on the job skills, education, and work preferences entered, ISM automatically matches job seekers to job orders in the system. Only those job seekers who match are available for referral. One of the benefits of IJL is that job seekers are exposed to all job orders in the system which increases their employment opportunities.

In ISM and IJL, both the employer and the job seeker have the option of listing their contact information in a suppressed or unsuppressed format. An unsuppressed format displays one party's contact information to the other, if interest is expressed as the result of viewing a job listing or a profile or resume.

Both ISM and IJL can also match on geographic preferences, facilitated by a zip code proximity table built into the system. When job seekers enter the distance they are willing to travel from a specified zip code, the system calculates the zip codes that fall within that sphere. If a person wishes to relocate, whether from elsewhere in Illinois or to Illinois from outside the state or nation, they have the option of entering the zip code of the place where they plan to relocate. Military personnel nearing the end of their tour find this especially useful. They can enter their registration wherever they are stationed.

IJL spidering capabilities are a clear advantage over ISM. IJL utilizes this technology to generate lists of employment opportunities from a multitude of Web-based job sites. Job Seekers will be able to view jobs in Illinois, across the nation and even overseas.

Illinois sends jobs in a suppressed format to America's Job Exchange (AJE). The result of an alliance between the AJE and the National Association of State Workforce Agencies (NASWA), AJE is an employer-funded, jointly-administered national labor exchange. AJE maintains the system. Job seekers who express an interest in any Illinois job listed in AJE are currently directed to register with ISM and, later in 2011, with IJL.

JOB MATCH AND REPORTING

In accordance with federal Common Measures reporting requirements, participants who exit a program are interfaced with UI Wage Information System records, the national Wage Records Information System, and the New Hire Registry. A hire listed in those records is automatically reported as an “Entered Employment.” One drawback to this method is the lag in reporting, due to the time frame in which the reports are produced. However, IJL’s order closing process will result in immediate hiring data, unlike ISM’s.

■ENTERED EMPLOYMENT ■

	SFY 2008	SFY 2009	SFY 2010
Total Participants	462,480	536,069	492,351
Entered Employment	175,991	149,288	204,191

JOB MATCH PROGRAM EMPHASIS FOR SFY 2011 – 2012

ISM will be replaced with Illinois JobLink (IJL) in the fall of 2011. IDES purchased the labor exchange system, America’s JobLink (AJL) from the America’s JobLink Alliance (AJLA) consortium with funding from the American Recovery and Reinvestment Act and renamed it Illinois JobLink. The AJL system is shared by several other states and meets federal reporting requirements. Like ISM it is a 24/7 system that gives job seekers access to hundreds of jobs, both locally and nationwide, and employers to qualified job candidates. IJL will improve job matches, labor market information, user access to employment resources, and performance reporting.

ADDITIONAL SERVICES AVAILABLE TO EMPLOYERS

BUSINESS RELATIONS GROUP PROGRAM

ES participates in the USDOL Employment and Training Administration (ETA) national initiative program known as the Business Relations Group (BRG). The BRG encourages community colleges, universities, special education agents, and faith-based community groups to provide training programs targeted to the labor needs of high growth industries. The BRG has trained their WIA partners through the use of advanced refocus-oriented Webinars. The Webinars cover a variety of subjects including regional and local success presentations, particularly those related to high growth industries, and training on how to apply for federal grants.

BUSINESS SERVICE TEAMS

IDES local office staff and their Illinois workNet Center partners have formed local Business Service Teams to coordinate their agencies’ employer contacts and streamline services delivered to them. The teams establish their local IDES/Illinois workNet Center as

the One-Stop resource for employers' employment and training needs. As a part of this effort, ISM, available to all Illinois workNet Center partners, is one of the tools that facilitates service coordination. For example, any Illinois workNet Center partner can access an employer's account and see if they are interested in special programs. Staff can also provide referral information on related resources and issues, such as wage and hour laws.

BUSINESS SERVICES COORDINATION TEAM

IDES' Business Services Coordination Team (BSCT) supports IDES field offices and local Business Service Teams in the delivery of services to employers. The unit works with local IDES offices to develop employer oriented seminars and outreach, employer brochures, posters and other marketing materials to inform the business community of IDES services. BSCT is also the Department's focal point for "statewide job development" – an initiative to serve employers and business associations that have statewide workforce needs that transcend specific localities. Through BSCT, major employers and employer associations can utilize a single point of contact for access to qualified workers throughout Illinois.

RECRUITMENT

Using promotional materials and methods, IDES' recruitment service actively enlists job seekers to fill specific employer job openings. IDES deploys its resources to help employers who are expanding or opening new plants or businesses to prepare job orders and conduct mass recruitments. Utilizing outreach techniques, existing applicant files, and its Illinois workNet Center partners, IDES identifies and refers qualified workers for job interviews.

LABOR MARKET INFORMATION

Employers can obtain a wide variety of information on the local labor market through their IDES/Illinois workNet Center and the www.ILWorkInfo.com Web site. This includes data related to affirmative action, wages, labor surpluses, employment projections and unemployment statistics. (See the Labor Market Information portion in this section of the plan for more details.)

BONDING

IDES can arrange fidelity bonding for some high-risk individuals to encourage employers to hire them. Through IDES, employers can request bonding for applicants who do not meet the requirements of their usual bond providers or to provide additional "risk reduction."

EMPLOYER VISITS

IDES/Illinois workNet Center staff visit employers to explain and provide training on all available employment services, including specialized employment services for targeted programs under Wagner-Peyser 7(b), employment tax incentives, use of the state's labor exchange system, and ISM. They may also obtain job orders, collaborate on hiring and

recruitment at various outreach events, promote networking through local chambers, and coordinate other employment-related services.

EMPLOYER WORKSHOPS/SEMINARS EVENTS

Along with an overview of all IDES programs and services, workshops and seminars give employers direct access to the subject matter experts responsible for adjudicating claims and handling protests. These events offer employers an in-depth review of workplace management methodologies that might impact their UI costs. A link to workshops promoting services to employers is found on IDES' Internet Web site.

ADDITIONAL SERVICES AVAILABLE TO APPLICANTS

IDES provides the following services to applicants and job seekers to address their employment needs.

JOB DEVELOPMENT SERVICES

IDES staff may develop jobs for job seekers who receive no or very few matches to current job orders listed in ISM. Through job development, staff contact employers known to use the skills a given job seeker possesses to secure a job interview. Veterans are frequently afforded job development services.

RECRUITMENT OF JOB SEEKERS

IDES/Illinois workNet Centers coordinate partner efforts to actively recruit qualified job seekers to meet the employment needs of Illinois business. Promotional materials, seminars, job fairs and the Illinois workNet Center network of partners are just some of the ways in which job seekers are sought and encouraged to register with the Department.

SEMINARS AND JOB SEARCH WORKSHOPS

IDES/Illinois workNet Center staff offer a variety of seminars and workshops to help job seekers overcome barriers to employment. Through the seminars and workshops, job seekers receive instruction in techniques for locating, applying for, and securing positions commensurate with their qualifications and interests. Topics include completing job applications, preparing resumes, and developing effective interviewing skills. A link to job search workshops is found on IDES' Internet Web site.

REEMPLOYMENT SERVICES (RES)/UI PROFILING

RES is a joint effort with the UI Profiling program that provides certain profiled claimants with reemployment workshops. The RES workshops began in September 2009 with the receipt of ARRA (American Recovery and Reinvestment Act) funds and the subsequent hiring of workshop facilitators with those funds. These workshops trained claimants on interviewing techniques, provided job search instructions, and explained the many employment services available. Although ARRA funding ended in September 2010, RES has continued, but on a much smaller scale.

REEMPLOYMENT AND ELIGIBILITY ASSESSMENT (REA)

Unlike the UI Profiling program, which works with claimants most likely to exhaust their benefits, REA's mission is to identify those that have in demand and/or transferable skills in order to facilitate their rapid reemployment. Reducing their period of unemployment lessens the draw on benefit payments from the UI Trust Fund, and their reentry into the workforce generates employer taxes. On or about May 1, 2011, IDES will expand the REA program from four to six selected offices within the state. Our goal is to conduct 6,000 REA interviews during the remainder of CY 2011.

OTHER EMPLOYMENT AND TRAINING-RELATED SERVICES

Each IDES/Illinois workNet Center office is equipped with employment and training resources to assist applicants, either through the self-service or staff-assisted services.

- **Resource Centers**

Resource Centers provide access to employment and training services and information that may better prepare job seekers for the world of work or assist them with employment retention. Some standard resources include personal computers to access resume or word processing programs or Internet-based services (e.g., ISM, Illinois Workforce Information and its career information programs, the IDES and local Illinois workNet Center Web sites and Career One-Stop); books and brochures on career assessment, application and interviewing skills, job seeking techniques, and labor market information; videos and monitors with earphones; and telephone and business manufacturing directories for job search. (See the Illinois workNet Center section of this Plan for more details on resources available.)

- **Employment Counseling**

Budgetary constraints and reduced staffing have affected the range of employability services IDES once routinely provided. Although IDES provides counseling and job search workshops to veterans, the Department's Illinois workNet Center partners currently provide most of the counseling and job search workshop services to others who need extra assistance to become employable. Employment counseling and testing are effective tools to help applicants make career choices, change careers, or overcome barriers to employment. More specifically, these services help job seekers identify vocational options, develop employability plans, and prepare for self-directed work search and job interviews. Clients that require employment counseling beyond that which IDES normally provides are referred to local WIA partners for further assistance.

- **Supportive Services**

Referrals to appropriate supportive services, including those provided by other state agencies and local community-based organizations, ensure the most effective use of community resources. Job seekers who are not assessed as job ready (i.e., their skills are limited, not in demand, or obsolete, or they function below the basic educational

competency levels required in the job market) are considered for referral to other Illinois workNet Center partner or community services.

- **Training**

To expand and broaden the distribution of vocational training information to the non-job ready, IDES also enters listings of training opportunities offered by other agencies into Illinois Skills Match. As a result, program information is broadcast uniformly and timely to a wider audience of potentially eligible persons.

SERVICES TO SPECIAL APPLICANT GROUPS

IDES is mandated by state and federal law and regulations to provide certain services to specific applicant groups: veterans, migrant and seasonal farm workers, and individuals with disabilities. IDES recognizes the unique needs these groups have for additional services to support their employment efforts. In order to provide the most comprehensive range of services available to facilitate individuals' entry or reentry into the workforce, IDES utilizes the statewide network of services provided through the partner agencies in the IDES/Illinois workNet Centers and other appropriate community resources. Through services available in the IDES/Illinois workNet Centers, applicants in these and other targeted groups may receive assistance to assess their skills, interests, and abilities in order to focus on suitable job choices. They learn how to plan their work search strategies, target potential employers and present themselves well at interviews.

IDES has federally established goals for labor exchange services provided to veterans and migrant and seasonal farm workers. Other specific applicant groups are served through special Wagner-Peyser 7(b) funded programs. These programs, described later in this section, include Hire-the-Future and a program, in cooperation with the Department of Corrections, for the formerly incarcerated.

VETERANS

A veteran is defined as a person who served in the active military, naval, or air service for a period of more than 180 days and who was discharged or released therefrom with other than a dishonorable discharge; or was discharged or released from active duty because of a service connected disability; or as a member of a reserve component under an order to active duty, served on active duty during a period of war or in a campaign or expedition for which a campaign badge is authorized and was discharged or released from such duty with other than a dishonorable discharge. Any period of duty for training in the reserves or National Guard, including authorized travel during which an individual was disabled from a disease or injury incurred or aggravated in the line of duty, is considered active duty.

Under provisions of the Wagner-Peyser Act and 38 United States Code, Chapters 41 and 42, IDES is required to provide veterans priority of service over all other job applicants, to actively promote and develop employment opportunities, and to provide placement and vocational guidance services. The Jobs For Veterans Act of 2002 (Public Law 107-288),

expands this mandate and provides priority of service in any job training program directly funded, in whole or in part, by USDOL. This new provision impacts other agencies and the workforce system as a whole.

IDES stations Local Veterans' Employment Representatives (LVER) and Disabled Veterans' Outreach Program (DVOP) staff in IDES/Illinois workNet Centers to perform outreach and provide services. The LVERs also monitor services to veterans to ensure veterans receive the priority service required under law and that performance standards are met. The LVER and DVOP programs are funded separately from Wagner-Peyser labor exchange services. The Jobs For Veterans Act changed the conditions for states' receipt of funding to include a requirement that each state submit a plan describing the manner in which it will furnish employment, training, and placement services. The Act also provides more flexibility to states in determining where they station DVOP and LVER staff.

SFY 2011 Veterans Performance Goals, negotiated with USDOL for the IDES/Illinois workNet Centers, are shown below:

PERFORMANCE MEASURE	GOAL
Veterans Entered Employment Rate	43%
Veterans Employment Retention Rate	73%
Veterans Average Earnings	\$15,800
Disabled Veteran Entered Employment Rate	41%
Disabled Veteran Employment Retention Rate	71%
Disabled Veterans Average Earnings	\$16,200

	SFY 2008	SFY 2009	SFY 2010
Total Veteran Job Seekers	40,749	44,822	42,518
Veteran Entered Employment	15,817	13,145	14,967
Total Disabled Veteran Job Seekers	6,078	6,310	6,337
Disabled Veteran Entered Employment	2,063	1,827	1,931

- **Incarcerated Veterans Transition Program (IVTP)**

IVTP offers Illinois' incarcerated veterans employment services during and after confinement. IVTP is funded by DOL/VETS, through the LVER and DVOP federal grant, and facilitated by IDES' LVERs and DVOPs. These veteran representatives provide services in the Illinois correctional facilities with the greatest number of incarcerated veterans. IDES coordinates with the Illinois Department of Corrections (IDOC) and Illinois Department of Veterans Affairs (IDVA) to provide employment workshops for inmates nearing the end of their incarceration. Workshops, conducted in 9 Illinois correctional facilities - Danville, Dixon, East Moline, Logan, Sheridan, Southwest, Shawnee, Vienna and Taylorville - emphasize techniques and resources to help these veterans address the unique employment barriers and other obstacles they face when attempting to acquire employment after their release.

- **Transitional Assistance Program (TAP)**

IDES veterans representatives inform retiring and separating service members about IDES services through transitional assistance program workshops at two military bases in Illinois: Great Lakes Naval Training Base and Scott Air Force Base. Funded by VETS and in cooperation with the United States Department of Defense, TAP is designed to provide services that facilitate re-entry into civilian life through workshops that cover assessment, interviewing techniques, stress management, labor market information, and resume preparation, among other topics.

MIGRANT AND SEASONAL FARM WORKERS

IDES is mandated by USDOL regulations to provide staff assisted services including job development, career guidance, and referral to training and supportive services for migrant and seasonal farm workers (MSFWs). Outreach staff from IDES' offices provide these services in areas with significant MSFW activity: Kankakee, Murphysboro, Peoria, Champaign, Springfield, Ottawa, and Chicago. Outreach focuses on visiting farms and housing, monitoring migrant arrivals, and conducting field checks. Staff is trained and equipped to provide information on employment services and the benefits of registering with ES. MSFWs may also be contacted by telephone, email, internet, written correspondence, and media announcements for employment opportunities. A most popular and effective method to address larger groups has been attendance in the local health- or education-related events and through workshops, interagency collaboration, and planning committees. IDES continues to explore national resources that reach out to migrants coming to Illinois. Sharing information on services continues with the Hope Arkansas Center and the Migrant Education programs.

As required, IDES continues administering the employment service complaint system and monitoring the resolution process for MSFWs. Relationships with compliance agencies such as Wage and Hour and Public Health have proven to be successful.

By federal directive, services to MSFWs must be provided on a basis which is qualitatively equivalent and quantitatively proportionate to services provided to non-MSFWs. Two types

of standards have been established by ETA to assess program performance. The first is the equity ratio indicator which is used to evaluate direct services. Equity ratio indicators measure proportional service and will fluctuate continually in the course of a year as the ratio of services provided to the non-MSFW applicant population changes. States are required to meet four out of five equity ratio indicators: (1) Referrals to Jobs (2) Staff Assistance (3) Career Guidance (4) Job Development (5) Referrals to Supportive Service

The second type of performance standard is the minimum service level indicator. Three of the seven minimum service level indicators evaluate the quality of MSFW job placements at the following ETA-established percentage rates:

- 42.5% of registered MSFWs placed in jobs
- 7.4% placed at \$.50 above minimum wage
- 7.9% placed in nonagricultural jobs over 150 days in duration

The four remaining minimum service level indicators track outreach and administrative activities, such as those related to IDES/Illinois workNet Center reviews, the complaint system, and MSFW job orders. States must meet four of the seven minimum service level indicators annually.

■ MSFW ACTIVITY ■

	SFY 2008	SFY 2009	SFY 2010
Total Participants	2,222	2,525	2,616
Entered Employment	528	888	711
Received Services	1,403	1,440	1,740

INDIVIDUALS WITH DISABILITIES

In cooperation with the Department of Human Services, Division of Rehabilitation Services (DRS), IDES promotes employment for individuals with disabilities with services, resources, and community outreach.

IDES offers employment services that include an evaluation of the client's employment capabilities, determination of the appropriate work environment, and identification and development of suitable job openings. For those who require such assistance, IDES links them with employment counseling services available through DRS and the Illinois workNet partners to help clients recognize vocational options, develop a plan to achieve employment goals, overcome barriers to employment, and adjust to the work environment. Other services include the Work Opportunity Tax Credit which promotes employment by encouraging employers to consider qualified individuals with disabilities for their job openings.

IDES and partner staff are available to help clients register in ISM and use local office Resource Center tools to seek employment. Job ready individuals with disabilities registered in ISM receive immediate consideration for suitable openings in the job matching process. The Department's Web site complies with the Illinois Information Technology Accessibility Act (IITAA) and the Department will be installing assistive technology within all IDES employment office resource rooms such as larger monitors with software for low vision clients and software for the blind as well equipment for the hard of hearing.

IDES and DRS partner in a number of job fairs for individuals with disabilities throughout the state. IDES attends meetings with Disability Works, a program to educate and encouraged employers to hire individuals with disabilities, and the Department serves on the Employment and Economic Opportunity for Persons with Disabilities Task Force. The Task Force is charged with analyzing programs and policies of the State to determine what changes, modifications, and innovations may be necessary to remove barriers to competitive employment and economic opportunity for persons with disabilities.

■ INDIVIDUALS WITH DISABILITIES ■

	SFY 2008	SFY 2009	SFY 2010
Total Participants	13,950	13,693	13,340
Entered Employment	4,384	3,725	3,810

HIRE THE FUTURE (HTF)

HTF is a statewide program that encourages youth to aspire to careers in professional and growth-oriented occupations. It provides employment services to youth and introduces them to career opportunities that they may not be aware of. The program is strengthened by the integration of local workforce systems, educational partners, and IDES' career and labor market information products.

HTF serves as a resource to help local educational systems and their students to better utilize IDES' job and career information products. The Career Resource Network, available at <http://www.ilworkinfo.com/icrn.htm>, supports long-term career and educational development by targeting the high demand skills needed for the future. For youth who have more immediate employment needs, ISM offers job search assistance. However, IDES/HTF staff offer more personal attention as they

- Work with school counselors and businesses to provide jobs for youth, particularly during the summer months.
- Conduct job finding and career development workshops that equip students with resume writing, job search, and interviewing skills.

- Participate in youth employment summits and provide information on scholarships and internships.

REENTRY EMPLOYMENT SERVICES PROGRAM (RESP)

The RESP program provides employment services to individuals on parole or soon-to-be released from penal institutions. In coordination with the Illinois Department of Corrections, the Safer Foundation, local WIA partners, and faith based and community organizations, RESP provides job finding workshops for inmates nearing the end of their incarceration. Workshops are conducted in Illinois correctional facilities and emphasize techniques and resources to equip inmates with skills to address the unique employment barriers and other obstacles they will face when they look for employment. RESP staff also develop employment opportunities for the formerly incarcerated and provide other services, such as fidelity bonding.

To ensure that IDES provides reentry clients with staff that are qualified and trained, RESP staff receive ongoing training that identifies resources, available technical assistance, and employment approaches that have proven effective in placing ex-offenders in employment. To expand the number of staff able to serve this population, IDES used ARRA funds to cross-train local office staff RESP functions.

IDES plans to enhance its current electronic systems to better monitor and collect data on services provided and job placements. Improvements in staffing and electronic systems will directly impact IDES' ability to serve reentry clients using reentry best practices, maintaining improved relationships with correctional institutions and other reentry partners, and better tracking service outcomes compared to the intended results.

SPECIAL PROGRAMS

FEDERAL WORK OPPORTUNITY TAX CREDIT

IDES administers the Work Opportunity Tax Credit (WOTC), established by the Small Business Job Protection Act of 1996. WOTC provides federal tax credits to employers who hire individuals from nine specified target groups that often experience high barriers to employment. They include qualified:

- Temporary Assistance for Needy Families (TANF) recipients
- Veterans
- Formerly incarcerated
- Vocational rehabilitation referrals
- Summer youth employees, ages 16 and 17 only
- Food stamp recipients, ages 18-39
- Supplemental Security Income Recipients
- Designated Community Residents, ages 18-39

- Long-term Family Assisted Recipient

Long-term TANF recipients, who used to receive the Welfare to Work Tax Credit, became another WOTC target group when the two programs merged in May 2007. In order to qualify under the TANF category, a new hire, as an individual or as a member of a family:

- Must have received TANF for at least 18 consecutive months before the start date; or
- Had their TANF eligibility expire under federal or state law after August 5, 1997; or
- Received TANF for a total of at least 18 months beginning after August 5, 1997.

Following USDOL and Internal Revenue Service (IRS) certification procedures, IDES must certify the eligibility of employers' new hires before they can receive their tax credits. Certifications attest that individuals are target group members and support employers' tax credit claims.

Employers may receive their certifications in either of two ways. First, they may have new hires complete two forms: the IRS-8850, "Pre-Screening Notice & Certification Request for Work Opportunity Credit" and the ETA-9061, "Individual Characteristics Form." The employer must mail the signed forms to IDES no later than 28 days after the new hire's start date. The Department's WOTC staff will review the required databases to see if the new hire met the criteria for a given category in order to issue a certification.

Secondly, job seekers are given conditional certifications (a pre-qualification under a WOTC category) to present to employers as an additional hiring incentive. Employers may receive a WOTC certification when IDES receives the conditional certification (ETA-9062) and the IRS-8850 form from the new hire's employer. Again, the employer must mail the signed forms to IDES no later than 28 days after the new hire's start date.

The tax credit is calculated at the rate of 25% of the qualified first-year wages up to a maximum amount for employees who work at least 120 hours but less than 400 hours or at 40% up to the maximum for employees who work 400 hours or more. First year qualified wages are capped at \$6,000 for six out of the nine WOTC target groups. The three exceptions are the long-term family assistance recipient whose first-year wages are capped at \$10,000; disabled veteran wages, capped at \$12,000; and summer youth wages, capped at \$3,000.

The maximum WOTC for hiring most target group members can now be as much as:

- \$2,400 for each new adult hire;
- \$1,200 for each new summer youth hire,
- \$4,800 for each new disabled veteran hire, and
- \$9,000 for each new long-term family assistance recipient hired over a two-year period.

WOTC's goal is to enhance employment opportunities for as many individuals as possible by providing certifications to all who are eligible. There is no limit on the number of conditional certifications or certifications that IDES can issue. In May 2007, the WOTC program was extended through August 31, 2011, by the Small Business and Work Opportunity Tax Act of 2007.

IDES INTERNATIONAL REGISTRY PROGRAM

The International Registry Program is a placement service for professionals, provided through IDES' partnerships with professional associations. The program introduces global corporate, academic, and governmental employers to professional job candidates from around the world.

When it forms a partnership with a professional organization, IDES surveys the association's members to determine pertinent job skills. From this information, IDES creates a customized ISM skill set for that particular membership. Both employer and job seeker association members are then directed to register in ISM using the association's skill set. Once matches occur, the members are encouraged to set up interviews to take place at the association's annual convention. IDES staff helps orchestrate the interviews at the convention and provided other services as needed. The association pays for IDES' related expenses for this service. Any resulting referrals or hires are recorded through the ISM system.

Presently, IDES partners with the American Economic Association. The Department developed a listing of over 200 skills that the association's board approved and its members currently use. IDES staff provides services at the American Economic Association's four-day convention every year.

LABOR MARKET and CAREER INFORMATION

BACKGROUND

IDES has gathered and disseminated labor market information (LMI) for much of its history. The 1933 Wagner-Peyser Act authorized states to operate statistical programs and the 1968 amendments to the Act called for development of comprehensive information about the labor market at the national, state and local levels. Through cooperative agreements and grants with the U.S. Department of Labor's (USDOL) Bureau of Labor Statistics (BLS) and the Employment and Training Administration (ETA), IDES has produced labor market information under a variety of programs.

In 1999, IDES was designated by the Governor as the official administrator of Illinois' employment statistics program under Section 309 of the Workforce Investment Act (WIA) of 1998. Further, in January 2002, the Department was given responsibility for the delivery of career information programs formerly administered by the Illinois Occupational Information Coordinating Committee. Thus, IDES is the primary and most cost effective source of a wide variety of labor market and career information and continues to expand its capabilities to develop, collect, analyze and disseminate workforce information to both regular subscribers and periodic requesters. There is an increasing demand for workforce information – in traditional and electronic forms – because statewide and local data are critical ingredients for both public and private sector planning, economic development, and employment and training programs.

IDES managers and supervisors use labor market and career information data to project workloads and activities; describe the applicant, claimant, and employer populations; validate audits of activities and levels of service around the State; monitor and predict employment cycles; and identify occupations where skill surpluses or shortages exist.

Administrative data are compiled and published in reports that assist IDES management to better serve customers. Data on future Unemployment Insurance (UI) workloads are produced to plan for future staffing needs and Illinois workNet Center studies. UI data are used to monitor and to predict economic cycles and to identify industries releasing large numbers of workers.

In addition, recent and ongoing initiatives to incorporate LMI into career decision-making at all levels have significantly expanded and broadened demand for LMI. LMI is a basic resource for information on:

- Industry trends – current, historical, and projected;

- Occupational trends – current (including employment and wage levels) and projected (both short- and long-term); and,
- Labor force demographics – including age, sex, and race.

LMI program staff provides technical assistance in the use and application of LMI through workshops and seminars or, upon request, individually to the requester. LMI staff is frequently asked to speak at seminars and conferences and serve on commissions, boards, and committees as resources or as members.

LMI USES AND USERS

PUBLIC SECTOR USES AND USERS

Public sector users, educators, Illinois workNet Centers, Local Workforce Investment Board (LWIB) directors and planners, public works and services administrators, and economic development agencies rely on LMI to understand current and projected labor market conditions for program and planning decisions. Information on workers and employers is used in economic planning and development projects. Data on the number and type of workers available for and in need of employment, and the number, types and employment patterns of businesses operating in specific areas must be considered in planning and development. LMI data is used to focus economic initiatives in successful growth industries most likely to employ the local labor pool and to identify industries in need of assistance to maintain existing employment levels. Other public sector users include:

- Education administrators, at all levels, use LMI employment projections for curricula planning. LMI provides educators with data by industry, occupation, and expected wages to document and justify plans to state agencies and local school boards. Labor market and career information provides counselors with data on the type and availability of future jobs and the education and training needed to compete for those jobs.
- LWIB directors and planners use LMI to profile the pool of workers in need of training and other services. LMI projections are used in the implementation of WIA for planning vocational training program components.
- IDES/Illinois workNet Centers use labor market and career information to provide individuals and businesses with information about local economies and employment opportunities, and to counsel and refer job seekers, including dislocated workers, to local job openings or job training.

- The education community uses labor market and career information to provide guidance counselors, teachers, students and their parents with analyses of the expected job outlook for future time periods that will coincide with students' entry to the labor force. Such programs also find LMI useful in demonstrating the value of additional education in relation to the types of jobs that will be in high demand in the future.
- U.S. military installations rely on LMI to inform separating service men and women on the employment outlook in the areas to which they will return.
- Public works administrators, concerned with future demand for services such as transportation, infrastructure, education and social services, use LMI on projected changes in the industrial composition and occupational structure of their jurisdictions.

IDES itself is a major user of LMI. The Department uses LMI data for special applications such as proposed state and federal legislation, policy development, and economic initiatives in which the Department participates. IDES executives and managers use LMI to plan, monitor, and project workloads and activities. Primary and secondary data is compiled and analyzed by LMI staff for administrative uses such as responses to inquiries from news agencies and public speaking engagements.

PRIVATE SECTOR USES AND USERS

The private sector uses LMI in a variety of ways:

- Financial institutions incorporate LMI into investment and lending decision-making. Through LMI, bond rating services become familiar with local economic climates to evaluate bond issues for schools, for public works, or for industrial revenue bonds.
- Real estate investors, developers and appraisers use LMI to obtain a complete picture of an area's economic and demographic profile. This information helps them assess and market properties, identify the presence of similar, competing, or complementary businesses, and evaluate the availability of labor.
- Utility companies, such as public works departments, have a critical need to forecast demand. They use historical data in proprietary forecasting models and IDES' projections of an area's industrial composition to determine future needs.
- Personnel managers frequently request LMI data to complete workforce availability (Affirmative Action) plans. Businesses use demographic and occupational information for local and national recruitment activities. IDES receives thousands of requests for this information every year, many from out-of-state firms planning to recruit or locate in Illinois.

- Private rehabilitation counselors utilize LMI to help challenged clients plan new careers.

DATA COLLECTION PROGRAMS

The LMI program continuously collects and compiles data for the creation of numerous reports and publications. IDES conducts direct employer surveys, uses its own administrative data, and incorporates related economic information from outside sources. For example, IDES takes administrative data collected from its oversight of Illinois UI programs and converts it into information on the number and location of jobs by industry and occupation. From monthly claims information, the Division produces reports on the demographic characteristics of the unemployed for major metropolitan areas in Illinois and on beneficiaries and benefits paid by county. Other data are collected and combined to serve a wide variety of needs and requests from state government, the business community, educational institutions and other entities.

COOPERATIVE PROGRAMS WITH THE BUREAU OF LABOR STATISTICS

Each year, IDES negotiates cooperative agreements with USDOL/BLS to produce LMI under Federal/State statistical programs. The BLS programs provide vital information on current, historical, and future trends in the state and national economies. They allow comparison of Illinois to other states and to the nation as a whole. The BLS programs described below are administered by IDES according to federal guidelines.

- **Quarterly Census of Employment and Wages (ES-202)**

The Quarterly Census of Employment and Wages (QCEW) data are the most comprehensive and current source of detailed information on Illinois employers and employment trends. Data collected from covered employers (i.e., those liable under the Illinois UI Act) include the number of firms, number of employees, and total wages for all major industries in Illinois, by geographic area and/or county. IDES regularly updates employer industry classifications with information obtained directly from employers through an Annual Refiling Survey (ARS).

QCEW data become part of a national database that is in turn used to create a census of businesses. It is used by the U.S. Department of Commerce's Bureau of Economic Analysis in developing the wage and salary component of the National Personal Income and Gross Domestic Product Statistics, by BLS as a source of employment benchmarks for the Current Employment Statistics program and as a sampling frame for most of its surveys, and by ETA for solvency and actuarial studies of UI.

The FFY 2010 ARS was initiated in January 2010 and included 70,629 reporting units. The FFY 2010 LMI Cooperative Agreement specified the selection criteria based on a range of numbers within the Federal Employer Identification Number (FEIN) and the required response rate: a 75% useable response rate in reporting units or an 80%

response rate in employment. IDES exceeded the agreement's requirement with a 78% response rate in units and an 84% response in employment.

The QCEW program increased its implementation of the electronic medium for the collection of quarterly employment and wage data and the transmission of LMI Cooperative Agreement deliverables. Effective with the first quarter 2010, multiple account employers, representing 3.8% of total multiple account employment used the MWRWEB system to electronically transmit quarterly employment and wage data. Also effective with the first quarter 2010, the electronic transmission of the primary QCEW quarterly deliverable, the Enhanced Quarterly UI Address File (EQUI), was implemented. This means of transmitting deliverables to the BLS, replaced the need for CDs and express mail and ensured the receipt of the deliverables two days prior to the due date specified within the LMI Cooperative Agreement.

QCEW Future Emphasis

The 2012 NAICS Revision will be implemented with the submission of the first quarter 2011 QCEW /EQUI deliverable, due to the BLS July 21, 2011.

Installation of the redesigned QCEW processing system is scheduled for April 2012. The five-year major redesign project has involved the participation of staff from States and the BLS and is expected to enhance the processing capabilities and the performance of daily QCEW production activities.

- **Current Employment Statistics (CES)**

CES activities fall into two broad categories: BLS Deliverables and Small Domain Estimating. To meet the BLS monthly deliverables, the CES staff collects, edits, and maintains a scientific probability sample design; prepares industry estimates for the larger metropolitan areas determined by the Bureau of Labor Statistics; and adjusts the industry estimates to universe counts as developed by the QCEW program area. To produce local area estimates, the staff uses the CES sample in a statistical model (Small Domain Estimating) for the 102 counties in Illinois and various aggregations of those Illinois counties.

Survey Activity

CES is a monthly *survey* of a sample of business establishments' payroll data. The sample contains over 16,800 work-sites reaching 35% of the jobs in the state. The monthly industry estimates are considered "current" in the sense that the estimates are produced by the first week of the month following the month they are estimating and, because of this timeliness, are used by a wide variety of practitioners.

In Illinois, the following metropolitan areas are estimated for the number of jobs by industry and, for selected industries, hours and earnings: Bloomington-Normal Metropolitan Statistical Area (MSA), Champaign-Urbana MSA, Chicago-Naperville-Joliet MSA, Danville MSA, Davenport-Moline-Rock Island MSA, Decatur MSA,

Kankakee-Bradley MSA, Lake County-Kenosha County Metro Division, Peoria MSA, Rockford MSA, and Springfield MSA.

Monthly estimates are adjusted to the QCEW annually. This maintenance process is known as a “benchmarked” (i.e., benchmarked to the QCEW) time series. Currently, the series for Statewide, MSAs and Metro Divisions extend back to 1990. These estimates are used by: economic policy planners; the investment communities for stocks/commodities transactions, and by labor market analysts to understand and project the dynamics of labor markets.

CES Future Emphasis

The Bureau of Labor Statistics is centralizing the collection, editing and estimation of statewide and MSA monthly data. State analysts will focus more attention on local area (county) data as well as to dissemination and analysis of this data. Centralization will result in a significant funding loss for this program. Exact dollars are not yet available because Congress has not yet established a FFY 2011 budget as of this writing, but it is in the magnitude of a half million dollars.

Illinois plays a vital role in helping to determine the direction of current employment statistics by representing the Midwest states on the CES Policy Council, a cooperative council with Federal Bureau of Labor Statistics staff and state representatives.

- **Occupational Employment Statistics (OES)**

The OES program mission is to conduct a survey of establishments on the number of workers employed and average hourly wages by the type of work performed. The program’s product is occupational employment and wage estimates across all industries. The sample is drawn from detailed industries, representing three-digit and selected four digit levels from NAICS in each MSA and four Balance-of-State areas. OES data are among the most frequently requested LMI and are used for analysis of the occupational composition of different industries, for determining national policy related to employment and foreign labor certification, and for training and employment planning at state and local levels.

The OES survey is semi-annual; and within any one state fiscal year, staff conducts two survey panels. Each panel consists of approximately 6,200 to 6,300 establishments representative of all Illinois industry sectors, which covers an average of over half million jobs throughout Illinois. The sample is drawn to produce estimates for a single statewide geography, as well as 17 substate areas (four balance-of-state area and 13 MSAs.) Under its contract agreement with BLS, IDES is required to produce a response rate for each panel that meets or exceeds 65% in employment for the statewide geography and 75% in either units or employment among substate areas.

State Fiscal Year	Survey Panel	Statewide	Substate Areas
2009	2008:04	Met requirements	17 of 17 areas met requirements
	2009:02	Met requirements	17 of 17 areas met requirements
2010	2009:04	Met requirements	17 of 17 areas met requirements
	2010:02	Met requirements	17 of 17 areas met requirements

The OES program's strength is its breadth of data collection. The survey results from three consecutive panels, representing 17,173 employer responses, are combined into a single data file to generate occupational wage estimates for nearly two hundred user-defined geographical regions: statewide, the economic development regions, and LWIAs. The occupational wage estimates for these areas are produced once per year.

OES Future Emphasis

For the SFY 2011 OES survey, the first panel mailing to a sample of almost 6,231 firms began in May 2010. Data collection for that panel concluded in January 2011. The second panel began in November 2010 with a comparable sample size and will conclude in June 2011. In SFY 2012, the start dates for the two panels are May 2011 and November 2011 with the final files due in January 2012 and June 2012. Each year, OES staff will generate local occupational wage estimates for statewide, and LWIAs.

- **Local Area Unemployment Statistics (LAUS)**

LAUS produces estimates of monthly labor force, employment, and unemployment and unemployment rates for the state and all major sub-state areas, including MSAs, counties, municipalities with at least 25,000 residents, and LWIAs. The program uses employment data from the following: CES and QCEW; UI benefits claims data from UI administrative databases; estimates from the Current Population Survey; and data from the Census. Statewide and Chicago metropolitan area LAUS estimates are generated through a Web-based software program designed by BLS, known as the State Time Series Analysis and Review System (STARS). Substate LAUS estimates (metropolitan areas other than Chicago, counties, cities and so on) are produced on a BLS-designed, stand-alone, desktop computer system, known as the LAUS State System (LSS). Beginning in 2007, IDES began using weekly continued UI claims inputs produced from the BLS designed and supported Program to Measure Unemployed Insured Statistics (PROMIS) system for the LAUS program.

LAUS develops Areas of Substantial Unemployment (ASUs) to assist ETA and the Illinois Department of Commerce and Economic Opportunity (DCEO) in allocating WIA funds. Private firms and individuals use LAUS data for labor market analyses, municipal bond ratings, and federal economic development grants and to develop

affirmative action plans. LAUS data are also used by local municipalities to determine eligibility for federal law enforcement grants and to obtain waivers to provisions of the Welfare Reform Act. Among federal government agencies, the Department of Defense uses LAUS to identify recruitment areas and the Department of Education relies on LAUS to allocate funds.

LAUS Accomplishments in 2010

User Acceptance Testing and Approval of UI Claims Inputs to LAUS:

Prior to the launch of IBIS in late August 2010, LAUS program staff conducted user acceptance testing (UAT) of continued Unemployment Insurance (UI) claims from IBIS and LAUS unemployment rates produced from them. The testing primarily involved validating, loading and processing weekly IBIS continued UI claimant files onto the BLS' Program to Measure Insured Unemployed Statistics system (PROMIS) and conducting parallel estimation of monthly LAUS estimates using PROMIS generated UI claims inputs from IBIS. The final phase of UAT included comparisons of monthly LAUS estimates generated with claims from BIS and claims from IBIS. The results of the testing were submitted to the BLS regional office in August 2010.

Smoothed Seasonal Adjustment In 2010, the BLS introduced smoothed seasonal adjustment (SSA) approach to reduce monthly volatility in seasonally adjusted LAUS estimates for Illinois and the Chicago-Joliet-Naperville Metropolitan Division, particularly as a result of monthly real time benchmarking to national labor force estimates. The entire historical series for both Illinois and Chicago-Joliet-Metropolitan Division was revised under the SSA approach.

LAUS Future Emphasis

LAUS-MLS Policy Council: IDES will continue its participation on the Federal-State LAUS-MLS Policy Council, which provides input into research as well as program budget and operations.

LAUSOne: In 2011, the BLS will replace its stand-alone, PC desktop based LAUS State System with LAUSOne, a Web based reporting system. Unlike LSS, the LAUSOne system will be accessible by multiple users at the same time including both LAUS analysts, BLS regional office and BLS national office staff. LAUSOne will eliminate the need for EI&A to maintain backups of LAUS databases and greatly facilitate the exchange of data files among states and between IDES and BLS.

Seasonally Adjusted LAUS estimates for Metropolitan Areas: In 2011, the BLS will begin publishing monthly seasonally adjusted LAUS estimates for Illinois Metropolitan Statistical Areas (MSAs), but will be published after the IDES metropolitan area employment and unemployment news release.

- **Mass Layoff Statistics (MLS)**

MLS identifies, describes, and tracks large job cutbacks, providing detailed information by industry, the reasons for layoffs, and other characteristics at statewide and substate levels. The program uses state UI administrative files to identify employers who have had 50 or more UI claims filed against them within a consecutive five week period. Each employer is contacted by telephone and asked to provide information not available from the UI system, including: the size, duration, and reason for the layoff; the affected establishment's operating status; and recall expectations for the workers who were laid off. Although employer participation is voluntary, more than 99 percent of those contacted in Illinois cooperate, compared with a national response rate of more than 90 percent. Layoffs involving at least 50 workers and more than 30 days in duration are classified as extended layoffs. Closures of work sites and establishments are a subset of extended layoffs. Layoffs that last fewer than 31 days are classified as temporary layoffs. WinMLS, a BLS-developed, stand alone desktop computer system is used to process UI administrative employer and claimant files, identify potential layoff events and closures, enter the results of employer interviews, and generate reports. Beginning in 2007, IDES began using weekly initial and continued UI claims inputs produced from the BLS designed and supported Program to Measure Unemployed Insured Statistics or PROMIS system for the MLS program.

States may use MLS data to allocate WIA funds among target populations. MLS reports are also used to evaluate programs for dislocated workers, measure the effectiveness of Worker Adjustment and Retraining Notification Act (WARN), allocate funds to service providers, and assist federal and state agencies in identifying causes of layoffs, such as import competition or outsourcing.

Private data users use MLS data to measure the economic impact of plant closures, plant relocation and industrial restructuring. Among the Federal/State programs, MLS data are used by LAUS to explain changes in unemployment levels, by CES to identify layoffs not captured in the employer sample, and by the QCEW program for interpreting decreases in employment levels reported by employers each quarter.

IDES sends weekly, monthly and quarterly MLS reports by establishment to DCEO and Northern Illinois University through a shared data agreement. These reports are used by the DCEO Dislocated Worker Unit to identify layoffs not captured through WARN reports.

MLS Accomplishments in 2010

User Acceptance Testing and Approval of UI Claims Inputs to MLS: Prior to the launch of IBIS in late August 2010, LAUS program staff conducted user acceptance testing (UAT) of initial Unemployment Insurance (UI) claims from IBIS and potential mass layoff events identified using them. Testing primarily involved validating, loading and processing weekly IBIS initial UI claimant files onto the BLS' Program to Measure

Insured Unemployed Statistics system (PROMIS) and conducting parallel processing of weekly potential mass layoff identification using PROMIS generated UI initial claims inputs extracted from IBIS. The final phase of UAT included comparisons of weekly potential mass layoff events produced with claims from BIS and claims from IBIS. The results of the testing were submitted to the BLS regional office in August 2010.

Longitudinal Tracking System: In 2009, IDES worked with CMS to deploy the Longitudinal Tracking System on a SQL server in Springfield. The LTS was designed by the State of North Carolina for the BLS and tracks and reports the post-layoff employment status and earnings of UI claimants who were reported in MLS. The LTS links MLS employer contact survey data, quarterly UI wage records and UI claims records. Employment and earnings outcomes may be reported by various characteristics, such as age, gender, race, industry of layoff and industry of reemployment.

MLS Future Emphasis

In 2011, IDES will complete the LTS research project for BLS that describes the employment and earnings outcomes of workers displaced during the most recent economic recession.

IDES will continue to use its membership on the LAUS-MLS Policy Council to provide input on MLS program operations and budget issues.

FOCUSED AND SPECIALIZED DATA COLLECTION

In addition to the BLS cooperative programs, IDES has designed and developed data collection that meets a wide range of needs in government and business communities. Data collected from employer surveys are augmented with current and historical administrative data from the UI and ES programs and are used in a variety of ways. Over the past several years, IDES has continued to explore new uses for its systems and databases. Through a number of innovative applications developed within IDES, either in conjunction with BLS programs or for specific use, the Department assists many human service and economic development agencies in achieving their program goals.

The Department has initiated the following LMI programs as a result of focused and specialized data collection.

- **Localized LMI**

IDES' data collection, compilation, and analysis processes are designed so that LMI can be configured for the entire State or for smaller areas such as LWIAs. IDES regularly supplies LMI to entities involved in or responsible for planning and decision-making in a small area context. These include LWIBs, dislocated worker centers, state government departments and agencies, local economic development commissions, chambers of commerce, educational institutions, public utilities, and business and labor as well as cities, counties, and other political subdivisions.

IDES' Workforce Info Center Web site (www.ILWorkinfo.com) is a user-friendly, online system which allows all customers instant access to state and county industry profiles. In addition, the system identifies major employers and related information by industry for the three most recent years. The WIC is useful in handling data requests as well as in analyzing changes in labor market conditions.

- **Employment Projections**

IDES produces employment projections for industries and occupations for the State and the Local Workforce Areas. In developing their projections, state analysts first estimate forecast models for industries by local workforce area. Next, the industry forecasts are combined with industry/occupational staffing patterns, adjusted to account for both technological change and worker turnover by occupation, to produce occupational employment forecasts by local workforce area.

Projections information is disseminated through the IDES Web site for labor market information, www.ILWorkinfo.com, or in response to individual user requests. Individual user requests are handled by IDES' network of local Labor Market Economists. Users select a report format most appropriate to their purposes, and specific data are configured for regions they designate. Available formats include ranking reports for industries and occupations and cross-tabulations that provide employment projections for each occupation within a specified industry, or projections for all industries in which a specified occupation is found.

- **Industry and Occupational Employment Projections**

IDES produces both two-year and ten-year industry and occupational employment projections. The former draws attention to labor demand in the near term and emphasizes business cycle impacts on hiring activity and, more specifically, how the fluctuation in the demand for goods and services affects the prospects for immediate job growth in specific industries or occupations. Job seekers looking for a quick entry into the labor market, such as displaced workers and new entrants, benefit from information on immediate employment prospects. The ten-year horizon has as its goal the measurement of structural change, such as the impact of shifts in business technology, public policy, or consumer tastes on the demand for labor. Parenthetically, these two forecast horizons highlight the uniqueness of local economies with a distinct industry mix and occupational composition.

State Fiscal Year	Forecast Horizon	Industry	Occupation
2010	2008-2018	complete	complete
2010	2009-2011	complete	complete
2011	2010-2012	Not complete	Not complete

In SFY 2012, staff will proceed with both the 2011-2013 and 2010-2020 forecast horizons.

- **Local Employment Dynamics (LED) Program**

IDES and the U.S. Census Bureau implemented the Local Employment Dynamics (LED) Program to produce cutting-edge labor market information on Illinois workers by age, race, and sex at the county and LWIA levels. This suite of approximately thirty never-before-available quarterly workforce indicators (QWI) provides workplace-based information on new jobs, new hiring, lost jobs, layoffs, and earnings for worker demographic groups and detailed industry employment. Moreover, IDES was among the pilot states in the development of a Geographic Information System (GIS) mapping capability to track commutation patterns of workers by measures of new hires, separations, earnings and industry. Illinois is a leader among states in the national implementation of the LED program.

In SFY 2010, EI&A staff published two articles on disaster assessment using the GIS mapping capability in the LED program: “Disaster Assessment and Local Labor Markets: North Park and Albany Park Floods” and “Expanding the Labor Market Analysis Toolkit: Mapping and Disaster Assessment”. Moreover, staff presented on the use of labor market information in disaster assessment as the first national webinar in the USDOL Employment Training Administration (ETA) “Win-Win” Webinar series. Staff also conducted a national training for the Council for Community Economic Research on behalf of the US Bureau of Census on quarterly workforce indicators and disaster assessment. Staff delivered a presentation at the annual conference, entitled “Economic Sustainability: Uses of LED.”

In SFY 2011 and 2012, IDES will dedicate resources to construct and implement a comprehensive strategy for GIS mapping of labor demand and labor supply of Illinois workers in comparison regions, such as cities, zip codes, and census tracts.

- **Unemployment Insurance Research**

IDES’ UI Statistical program has four principal activities. First, EI&A staff currently submit 18 required reports on UI program activity to ETA covering weekly, monthly and quarterly timeframes. These data are posted on the IDES LMI Source Web site and made available to entities that conduct research on UI. Second, staff forecast a variety of UI activity. Third, EI&A staff work jointly with the Department’s Office of the Budget on Trust Fund research agenda. Finally, IDES is a co-principal investigator with ISU on development of a longitudinal analytical database to investigate the movement of UI claimant behavior.

In SFY 2010, EI&A submitted timely all ETA-required reports and completed weekly forecasts (EB trigger and EB exhaustees) and monthly forecasts (regular initial claims, regular continued claims, regular weeks paid, regular claimant exhaustees, EUC initial claims, EUC continued claims, EUC claimant exhaustees, EB initial claims, and EB

continued claims). EI&A staff also worked cooperatively with Budget staff to compare each month the UI claims-based and Trust Fund-based forecasts for the IL unemployment rate and weeks paid. EI&A staff completed with ISU staff a preliminary investigation on cohort attrition behavior of Regular and Extended program claimants by demographic characteristics and IDES local office.

In SFY 2011, EI&A will continue to submit timely all ETA-required reports and complete UI-claims related forecasts, both weekly and monthly. The EI&A research agenda with the Budget staff will include forecast models for the insured unemployed as a percentage of total unemployment. IDES concluded a shared data agreement with ISU to develop a linked-longitudinal analytical database of micro records matched across IDES administrative data sources (UI claimant data, Wage Record data, and ES program data). The equipment purchases and computing infrastructure will be completed and quarterly reports will be produced on attrition behavior of UI claimants by IDES local office.

In SFY 2012, IDES and ISU will complete the linked-longitudinal analytical database of micro records; coordinate with other state agencies to implement a research agenda on policy formulation related to the movement of persons between unemployment and employment; investigate labor market outcomes of unemployment remediation services; develop measures of operational workload; and, operationalize a GIS capability to map local labor demand and labor supply.

LABOR MARKET ECONOMISTS (LMEs)

A network of IDES Local Labor Market Economists (LMEs), who live and work in Illinois' labor market areas, support the LMI program. Local LMEs are responsible for following up on employer surveys, responding to all requests for local or substate LMI, and providing technical assistance and training. They are experts on their local economies, leading industries and employers, vocational education issues, current development, and local economic development initiatives. LMEs serve on local planning boards, economic development councils, educational planning committees, and LWIBs and participate in many other related activities. Most of the 3,700 requests which IDES received for data in the last year were processed by the LME network.

AUTOMATED LABOR MARKET INFORMATION REVIEW

Using their expertise and knowledge of their local economies, LMEs conduct biennial reviews of preliminary substate short- and long-term industry and occupational employment projections. This system directly supports labor market and career information in the IDES/Illinois workNet Centers. LMEs conduct the following reviews:

- Every other year
 - LWA and county long-term industry projections data and
 - LWA and county long-term occupational projections data
- Annually
 - LWA short-term industry projections data and
 - LWA short-term occupational projections data

LMI PUBLICATIONS AND INTERNET ACCESS

INTERNET SITES

Wherever possible, LMI publications and information are offered in electronic form through the Workforce and Career Information portal page (www.ILWorkInfo.com) which serves as a gateway from which customers can access any of five Web sites:

- **Workforce Info Center**

The Workforce Info Center Web site features labor market and economic information and resources for Illinois. This interactive site allows users to search for specific data by geographic area and put the data into a downloadable file. Geographic areas available include counties, metropolitan areas, and workforce investment areas. Information available includes local area profiles and resources for small business

- **LMI Source**

This Web site contains comprehensive labor market information for Illinois. Customers can browse or download complete data files and publications in Excel and Adobe Acrobat (PDF) formats. The site is ready made for planners and researchers who require all data for a particular program and who want to get on and off the site in a short time. Labor market information and publications available on the site include:

- Monthly and annual employment and unemployment data
- Weekly, monthly, quarterly and annual UI claims data
- Current press releases
- Long- and short-term occupational and industry employment projections
- Workforce Availability Information
- Recent issues of the following publications:
 - *Kids and Careers: How Families Can Help Youth Succeed* (English and Spanish)
 - *Learn More Earn More* (English and Spanish)
 - *Where Workers Work*
 - *Employment Projections*

- **Career Resources**

Career Information System (CIS) is the most feature-rich of the career information products and is used by high school students, counselors, adults, job seekers and IDES/Illinois workNet Center staff. CIS includes information and access tools for occupations, financial aid (Illinois specific and national), apprenticeship opportunities, military careers, post-secondary schools and colleges (Illinois and nationwide), industries and entrepreneurship. Components which promote universal access for youth include complete assessment and linkages and curriculum integration activities.

Career Click packages career exploration and information for a target audience of middle and high school students, their parents and their counselors. LMI is available for employment projections and wages coupled with career information such as education and training requirements, skills information, and top employing industries. The system features both the six career interest areas consistent with the Illinois State Board of Education's "Career Pathways and Majors" and the 16 national Career Clusters consistent with the U.S. Department of Education. A short video is available with many of the occupations, so the user can view the activities involved in an occupation.

CIS Junior, a product geared to middle school students, is intended to start them thinking about and exploring careers and occupations. Countdown offers occupational information, written at a fifth grade reading level, that can be accessed by Career Interest Areas and contains a seventy-question Interest Survey to help students identify occupations to explore.

PUBLICATIONS

Based upon customer satisfaction feedback, IDES continues to revise and produce popular publications targeted to its principal customer groups: business, LWIBs, and individuals. For example, the *Learn More Earn More* brochure is updated annually with current wage, employment, outlook, and skills information in both English and Spanish versions.

Studies show that families have the most impact on children's success in school and their choice of career direction. The new brochure, *Kids and Careers: How Families Can Help Youth Succeed*, has been created to assist parents in helping children make informed decisions by providing reliable information and a resource to encourage children to explore career options. Customer feedback will guide the brochure's revisions prior to its re-release.

LMI PROGRAM EMPHASES SFY 2012

In support of workforce and economic development, IDES will enhance existing labor market information products to augment available workforce information. Initiatives include (a) the provision of labor market indicators for reemployment efforts through the Help Wanted Online; and (b) the provision of TORQ, Transferable Occupation Relationship

Quotient, a tool to help job seekers more easily find jobs in their own, or closely related occupations.

- **Help Wanted Online**

The Department acquired licenses for Help Wanted Online to develop real-time labor market indicators and to use establishment-level posting information for re-employment services. The Help Wanted Online tool is multi-faceted as it can provide macroeconomic information on the state of the state, but also reveal which industries, occupations, firms are seeking employees. The macro-view will not be at odds with actual demand for jobs and occupations.

Help Wanted Online data, through Wanted Analytics, will serve as the spidering job board in the new Illinois JobLink giving jobseekers access to the same database of online job ads that the Department monitors to assess real-time labor market trends.

For example, the Department will be able to provide monthly lists of top occupations in demand by geographic areas and career cluster.

- **TORQ**

The Department acquired licenses for TORQ so that labor market analysts and employment services counselors can help job seekers more readily transition to new occupations if they cannot find jobs in their current occupation. This product easily converts skills, knowledge, and abilities so that job seekers may find new positions with little to no additional training. If current or related occupations are not in demand, the TORQ product will help job seekers find appropriate training as well.

In its initial phase, labor market analysts, ES program managers, and DCEO's rapid response counselors were trained to use the TORQ tool to help job seekers find new positions that will closely align with their skills, knowledge, and ability. In the second phase, labor market analysts will train ES counselors and veteran representatives in the local offices to work with TORQ.

UNEMPLOYMENT INSURANCE

BACKGROUND

Unemployment compensation is an insurance program, the benefits and administration of which are funded by employer contributions. The Federal Unemployment Tax Act (FUTA) sets standards and requirements for individual state unemployment compensation laws. The Illinois Unemployment Insurance (UI) Act, first enacted in 1937, complies with those requirements. UI claimants must meet minimum base period wage requirements in order to be monetary eligible for UI. In addition, claimants must demonstrate that they are able to and available for work and that they are conducting an active search for work in order to remain eligible. They may be disqualified for voluntarily leaving work, for being discharged for misconduct, for refusing work and for various other reasons as determined by the UI Act.

Under provisions of the UI Act, IDES collects taxes (and payments in lieu of taxes) from covered employers to finance UI benefits; determines eligibility for UI benefits based on monetary and nonmonetary criteria; pays benefits in a timely manner to those eligible; resolves eligibility issues; and seeks to prevent benefit payments to ineligible claimants. IDES administers the program under two broad functions, *benefits* (payments to claimants) and *revenue* (taxes paid by employers). These two functions are discussed separately in this section of the plan.

UI TRUST FUND

The Illinois UI Trust Fund is a reserve where tax revenues from employers are deposited so that benefits can be paid to eligible unemployed workers. The Trust Fund is intended to be built up during periods of economic growth so that sufficient reserves are available to pay benefits during moderate economic downturns without the need for borrowing or an immediate tax increase. A higher number of unemployed workers collecting unemployment benefits will result in an increase in benefits paid out of the Trust Fund, which in turn will lead to an eventual increase in employer tax rates.

The Great Recession that began in 2008 was severe in both its length and its depth, and most states' trust funds had insufficient reserves to pay the resulting volume of claims. Consequently, many turned to the federal government for help in meeting their unemployment benefit obligations. As of February 24, 2011, 32 states (including Illinois) had loan balances totaling over \$43 billion from the Federal Unemployment Account.

Illinois' loan balance reached \$2.7 billion by late February 2011 and that balance is anticipated to grow larger by the end of calendar year 2012.

IDES will continue to closely monitor the financial stability of the Illinois UI system. Further, the Department has been working and will continue to work with the Governor's office and representatives of Illinois business and labor communities and the General Assembly to seek an agreed bill to restore long-term solvency to the unemployment trust fund.

UNEMPLOYMENT INSURANCE: BENEFITS

The overall goals of the UI Benefits Program are to provide temporary income support to individuals who are unemployed through no fault of their own. The program has established performance measures to ensure accurate and timely benefit payments.

BENEFIT PROGRAMS

An individual who becomes unemployed may file a claim for benefits at an Illinois workNet Center, at an IDES local office, or, since July 2005, on the Internet. The claims of unemployed workers who live out of state but earned their wages in Illinois and are unable to file for benefits via the Internet will be processed through the Interstate Benefits Intake unit that IDES established in March 2011.

An initial claim is a request for a determination of eligibility and the amount of benefit entitlement through a benefit program. Benefit programs available are:

- **Intrastate:** A claim filed in the same state in which the individual's wage credits were earned. Intrastate and Illinois interstate liable claimants receive regular benefits funded entirely by Illinois employers' contributions or payments in lieu of contributions.
- **Interstate:** A claim filed in one state, acting as the agent state, when wages were earned in another state. The state that pays benefits is called the liable state.
- **Unemployment Compensation for Federal Employees (UCFE):** A claim for benefits to eligible former federal employees as established by 5 United States Code, Chapter 85. UCFE. Benefits are administered under state law but are federally funded.
- **Unemployment Compensation for Ex-Service Personnel (UCX):** A claim for benefits to eligible former military personnel as established by 5 United States Code, Chapter 85. UCX Benefits are administered under state law but are federally funded.
- **Emergency Unemployment Compensation 08 (EUC):** A program that provides up to 53 weeks of additional benefits to workers who exhaust their rights to regular

benefits. Benefits are paid in four tiers as long as the unemployment rate in Illinois meets the threshold determined by the federal government.

- **Extended Benefits (EB):** A program that provides an additional 20 weeks of benefits to individuals who have exhausted both regular benefits and EUC as long as the state remains in a period of extremely high unemployment as defined by the federal government.
- **Combined Wage:** A claim based on wages earned in two or more states. Since January 2009, the “paying state” is determined to be a single state against which the individual files as long as he or she has wages in the state’s base period.

Further, there are three federally funded benefit programs available for workers who lose their jobs under special circumstances:

- **Disaster Unemployment Assistance (DUA):** This program provides financial assistance to individuals whose employment or self-employment has been lost or interrupted as a direct result of a major disaster and who are not eligible for regular unemployment insurance benefits. USDOL oversees DUA and coordinates with the Federal Emergency Management Agency (FEMA), which provides the funds to the state UI agencies for payment of DUA benefits.
- **Trade Readjustment Allowances (TRA):** The Federal Trade Act provides special benefits under the Trade Adjustment Assistance (TAA) program to those who were laid off or had hours reduced because their employer was adversely affected by increased imports from other countries. Trade Readjustment Allowances, a benefit under the TAA program, provides income support to persons who have exhausted Unemployment Compensation and whose jobs were affected by foreign imports.
- **Alternative Trade Adjustment Assistance (ATAA):** Benefits are provided as an alternative to the benefits offered under the regular TAA program. Participation in ATAA allows older workers, for whom retraining may not be appropriate, to accept reemployment at a lower rate and receive a wage subsidy. Eligible workers age 50 or older who obtain new, full-time employment within 26 weeks of their separation at wages less than \$50,000 may receive a wage subsidy of 50% of the difference between the old and new wages, up to \$10,000 paid over a period of up to two years.

TELEPHONE AND INTERNET CERTIFICATIONS

After initial determination of a claimant's eligibility for UI benefits, the claimant is required to certify to continued eligibility for the period covered by each claim, i.e., that he or she is unemployed, able to work, available for work, and actively seeking work. Claimants must also keep a separate listing of the places they have applied for work. The Department accepts certifications by telephone and via the Internet.

Since 1997, claimants have certified for benefits through Tele-Serve, a telephone voice response system which is available to both claimants and employers using IDES services. This system eliminates the need for claimants to report to an IDES office or mail in paper forms to certify for benefits. Instead, on a specific day the Department has assigned to each, claimants answer a series of questions on Tele-Serve to enter their own certifications.

In addition to certifying for UI benefits, Tele-Serve allows claimants to file an additional or reopened claim; obtain claim status information, including payment information; and obtain general information about IDES services.

Tele-Serve allows employers to obtain information about (1) their eligibility as an Illinois employer, including the capability to look up by zip code the nearest regional office that will manage the employer's account; (2) the Employment Service (ES), including an explanation of how to match the right worker with a job and the information needed to place a job order; (3) the protest and appeal process for unemployment claims; and (4) benefit charging, including protest information.

Since June 2009, IDES has offered claimants the alternative of filing their bi-weekly certifications on the Internet. This feature also includes a link that allows claimants to enroll for the direct deposit of their benefit payments. A new function was added in August 2010 with a link to the UI application, a help for claimants who temporarily returned to work but became unemployed again during their certification period. In January 2011, nearly one-quarter of all certifications were submitted through the Internet, and the average time to complete an Internet certification was under four minutes.

Tele-Serve and Internet certification relieves IDES staff from the repetitive clerical task of entering data from paper certifications into electronic files and from answering routine questions. Staff can focus on valued-added services instead. Both have proven to be effective self-service tools that can expand in size, functions, and features to meet the changing needs of IDES and its customers.

BENEFIT CLAIMS WORKLOAD

■ REGULAR UI CLAIMS ■

Rising steadily since SFY 2007, regular UI initial claims workload hit its peak in SFY 2009 before dropping back again last year.

	<i>Initial Claims</i>	<i>Percent Change</i>
SFY 2008	734,201	7.5%
SFY 2009	1,154,464	57.3%
SFY 2010	999,321	-13.4%

■ UI INITIAL CLAIMS - FEDERAL PROGRAMS ■

UI FOR FEDERAL EMPLOYEES – UCFE

After two years of declining claims, initial claims filed by former federal employees have increased steadily since SFY 2009, approximating the total filed in SFY 2006 for SFY 2010.

	<i>TOTAL</i>	<i>Percent Change</i>
SFY 2008	1,720	-14.5%
SFY 2009	2,029	18.0%
SFY 2010	2,228	9.8%

UI FOR EX-SERVICE PERSONNEL – UCX

After trending downward for several years, claims filed by ex-service personnel began to climb again in SFY 2009 and showed a significant jump in SFY 2010.

	TOTAL	Percent Change
SFY 2008	2,832	-9.6%
SFY 2009	3,010	6.3%
SFY 2010	3,880	28.9%

TRADE READJUSTMENT ACT - TRA

After a two year decline, claims for TRA began to increase in SFY 2010.

	TOTAL	Percent Change
SFY 2008	5,777	-2.2%
SFY 2009	4,612	-20.2%
SFY 2010	5,171	12.1%

BENEFIT PAYMENTS

- **UI Intrastate, UCFE, and UCX Monetary Eligibility:** To be eligible for benefits, a claimant must have been paid insured wages of at least \$1,600 during a recent 4-quarter period. At least \$440 of that amount must have been paid outside the quarter in which such wages were highest. To be entitled to full benefits for a week, the claimant must:
 - Be unemployed during that week,
 - Be registered for work with ES or at a certified union hiring hall
 - File a claim for benefits for that week through the local UI office,
 - Be able to and available for work and actively seek work during that week or be enrolled in an approved training program that will enhance reemployment potential, and
 - Serve a period of one waiting week during which all eligibility requirements are met.

Eligible claimants may receive up to 26 weeks of regular benefits. The amount of weekly benefits paid depends on three factors: (1) the amount of wages the claimant was paid in insured employment during a 12-month period, called the base period; (2) the claimant's eligibility for a dependent allowance; and (3) the presence of any factor that, under the Act, would cause the weekly benefit amount (WBA) to be reduced. Upon filing a claim, the claimant will be notified of his/her WBA. This is called a "finding" which may be appealed to a referee, if the claimant disagrees with it for any reason.

■ MAXIMUM WEEKLY BENEFIT AMOUNTS ■

	Jan 2011	Jan 2010	Jan 2009	Jan 2008
Individual Claimant	\$388	\$385	\$385	\$369
- With Dependent Spouse	\$462	\$458	\$459	\$439
- With Dependent Children	\$531	\$531	\$534	\$511

Interstate Eligibility: Interstate claimants' eligibility is determined by the state against which the interstate claim is filed. Illinois acts only as an agent on claims filed against wages paid in other states. Interstate claimants filing a claim in another state against Illinois, making Illinois the liable state, must meet the same monetary eligibility requirements as Illinois residents.

- **Disaster Unemployment Insurance:** An unemployed worker may be eligible for DUA if, as a direct result of a major declared disaster, the individual:
 - No longer has a job,
 - Is unable to reach the place of work,
 - Was to commence work and does not have a job or is unable to reach the job,
 - Has become the breadwinner for the household because the head of the household died, or
 - Cannot work because of a disaster incurred injury.

An initial application for DUA must be filed within 30 days after the announcement date of the major disaster. However, the length of time unemployment is attributable to the disaster depends on the beginning date of the disaster and may not exceed 26 weeks. The WBA is determined in the same manner as the UI WBA; however, the base period is the most recent tax year. When DUA is available, filing instructions for DUA are included in the Federal Disaster announcement.

- **Trade Readjustment Allowances (TRA):** To be eligible for TRA, otherwise monetarily eligible claimants certified as covered by the program must:
 - Be laid off or working only part time because of increased imports resulting from concessions granted under an international trade agreement,
 - Be waived from training or enrolled in an approved training program that will enhance reemployment potential, and
 - Have exhausted regular unemployment and extended benefits.

When the federal government certifies a group of workers as covered by the Trade Adjustment Assistance (TAA) program, they may be eligible for up to 130 weeks of benefits (including any weeks of regular UI) paid at the same WBA computed for regular benefits. In addition, eligible workers may also receive training, job search, and relocation allowances. These additional benefits are provided through the Illinois Department of Commerce and Economic Opportunity (DCEO), administered by the Local Workforce Investment Areas (LWIAs).

■REGULAR UI BENEFIT PAYMENTS■

Regular UI benefit payments rose markedly in SFY 2009, the heart of the recession. Payments continued their climb in SFY 2010, but at a slower pace.

	<i>Benefits Paid</i>	<i>% Change from Previous Year</i>
SFY 2008	\$1,997,839,753	11.6%
SFY 2009	\$3,542,872,141	77.3%
SFY 2010	\$3,939,350,884	11.2%

BENEFIT ELIGIBILITY ISSUE RESOLUTION/APPEALS

Monetarily eligible claimants are not automatically eligible to receive benefit payments. They may be found ineligible if they fail to meet other "nonmonetary" criteria. Some common nonmonetary eligibility issues that can cause a monetarily eligible claimant to become ineligible for benefits are:

- Discharge from a job because of misconduct,
- Voluntarily leaving a job without good cause attributable to the employer,

- Not actively looking for work or not able to work,
- Refusing an offer of suitable employment, or
- Involvement in a labor dispute.

Nonmonetary eligibility issues are detected primarily from employer protests of the claims filed and from statements made by claimants while filing a claim. The Department investigates and makes determinations for all issues that arise at the time a claim is filed and anytime during a claim. Investigations and determinations are done by the Department under state and federal rules and guidelines.

The first level of investigation and determination is called "adjudication." When any issue is identified, an IDES representative will interview the claimant and employer as needed, document the finding, and render a determination as to the claimant's continued eligibility. Adversely affected parties have a right to appeal first-level determinations to a referee.

The appeal process is available to either party without cost. An employer or claimant who files a timely appeal from a finding or determination is entitled to a hearing. Appeal hearings are conducted by administrative law judges who have the statutory title of Referee. Strategically assigned referees cover all 102 Illinois counties to serve claimants' and employers' needs. Hearings are currently being conducted in Chicago, Arlington Heights, Chicago Heights, Bolingbrook, Lombard, Elgin, Rockford, Peoria, Springfield, Belleville, Quincy and Mt. Vernon.

All parties to appeal hearings are mailed a written notice of hearing at least ten days prior to the hearing date. An informational brochure that explains the appeal process is available on the Internet, at local offices, and through the Appeals office.

Generally, benefit appeal hearings are conducted by telephone, and the referee joins all participants in a conference call. The telephone hearing is an expedient, cost-effective method that allows all parties to participate in the most convenient manner possible. It allows employers to provide essential testimony with minimum time away from business and relieves both employers and claimants from transportation costs and travel time that could prevent in-person participation. In-person hearings may be granted upon a showing of good cause by one or both parties or if the referee deems an in-person hearing necessary for the proper disposition of the case.

To maintain and improve upon time lapse and case aging performance in FY 2012, the Appeals Division will continue to build on past initiatives that have shown success and implement new ones as follows:

- Maintain a regular daily schedule of eight hearings for each referee, in addition to

- periodic overtime as needed to improve time lapse;
- Monitor continuances, reschedulings and reopenings for compliance with IDES rules;
- Continue to enhance referees' professional development to give them the tools to utilize sound pre-hearing practices and case management techniques, write decisions that withstand judicial review, effectively address the issue of caseload management, evaluate witness and expert credibility, and appropriately apply the rules of evidence and procedure.
- Implement, manage, and improve the new Illinois Benefit Information System's scheduling and decision making tools.
- Ensure the employment of sufficient legal and support staff to handle current and projected caseload.

While the type of administrative hearing mandated by federal guidelines for UI appeals is informal, an oath or affirmation is administered to all participants. All testimony is recorded to establish a permanent record of the proceedings. Although the technical rules of evidence are not applied, decisions are based on the preponderance of credible, legally competent evidence in the record. To protect the due process rights of participants who appear without legal counsel, referees, all of whom are licensed attorneys, actively participate in the development of the facts as the needs of the parties dictate.

Based on the evidence presented, the referee will render a written decision that is mailed to all parties. If a party receives an adverse decision, further administrative review is possible, at no cost to the appealing party, by filing a timely appeal to the Board of Review.

■ BENEFIT ELIGIBILITY WORKLOAD ■

The rise in initial benefits since SFY 2007 has translated into greater adjudication and appeals workloads downstream. SFY 2010's combined adjudication determinations and redeterminations were the highest since SFY 2004 and the number of lower authority appeals decisions surpassed any in recent memory.

	ADJUDICATION	APPEALS
SFY 2008	244,085	55,342
SFY 2009	292,797	60,847
SFY 2010	312,920	78,226

- **Legal Services Program:**

The Legal Services Program (LSP) was introduced during SFY 1989. Section 802B of the Illinois UI Act (820 ILCS 405/802B) requires the Department to provide the services of licensed attorneys to advise and represent small employers and UI claimants at administrative hearings and before the Board of Review. Section 2101G of the UI Act (820 ILCS 405/2101G) authorizes the annual expenditure of up to \$1 million each for small employers' and claimants' legal fees.

The Department contracts with four firms, selected through a competitive bidding process, to provide services. The current contracts expire on June 30, 2013 and are renewable for up to three more years. Two firms serve claimants exclusively, and two firms serve only small employers.

IDES regularly monitors LSP providers through monthly reviews of billing information, onsite audits, and periodic surveys of clients. In addition, each firm submits an annual performance report that includes suggestions for program improvements. Since 2006, the Department also conducts one supplier relationship meeting with each LSP provider with appropriate follow up. The purpose of these meetings is to examine and implement process changes that improve service to clients and/or reduce the cost of the program.

UI BENEFITS PROGRAM EMPHASES SFY 2010

IDES supports ETA's national priorities for the UI benefits program which emphasize improved service delivery to UI claimants, beginning with access to a full continuum of services from claims taking through connection with the workforce system. A key determinant of the department's ability to achieve program goals rests with the Illinois Benefit Information System (IBIS) which was implemented in late August 2010. This new Web-based application replaced numerous stand alone systems to encompass the range of claims intake (in person and by telephone and Internet), bi-weekly certification (via telephone, Internet and paper), adjudication, appeals, and benefit payment (direct deposit or debit card). The recently implemented Electronic Case Folder contributes to another federal priority – timely benefit payments – by maintaining all documents associated with a claim at hand. The potential for lost files is significantly reduced and the ease of recovery allows staff to work more efficiently when documents must be reviewed or shared.

The Department is committed to improving both adjudication timeliness and quality to meet federal goals. During IBIS' implementation phase, the field offices were excused from reviewing adjudication cases for timeliness and quality. Effective January of 2011, these reviews and scoring mechanisms were reinstated. In addition, revised adjudication training is being developed and the Department has hired a new training manager and increased the number of trainers. By resuming the quality reviews and providing training to new staff and refresher training to other staff, adjudication quality will improve incrementally and significantly.

The extent to which the Department achieves these priorities will be assessed with federal measures and standards. IDES will continue to monitor performance to identify process improvements likely to enhance client services and the performance levels of all UI benefit activities. In this multifaceted approach, each element must contribute to the whole. Initiatives will focus on timely quality service through improved technology.

UNEMPLOYMENT INSURANCE: REVENUE

The Illinois UI Act mandates that the Department determine employer liability, determine the rate at which liable employers will pay contributions (revenue) or payments in lieu of contributions, and resolve revenue-related issues.

EMPLOYER LIABILITY

Employers are liable under the Illinois UI Act if they had at least one individual in employment on any one day within each of twenty or more calendar weeks in any calendar year, or paid wages for services in employment of at least \$1,500 within any calendar quarter. Certain types of employers are determined liable based on slightly different sets of criteria. These employers and criteria are:

- Employers of agricultural workers who pay cash wages of \$20,000 or more for agricultural labor in a calendar quarter or have 10 or more agricultural workers within each of 20 or more calendar weeks in a calendar year;
- Employers of domestic workers who pay cash wages of \$1,000 or more in a calendar quarter;
- Certain types of nonprofit organizations, as defined in Section 501C(3) of the Internal Revenue Code, that have in employment 4 or more workers within each of 20 or more calendar weeks in a calendar year;
- Local governmental entities that pay wages;
- Employers who acquire all or a distinct severable portion of a business become liable as of the date of the acquisition if the portion, treated as a separate employing unit, would have been liable;
- Employers liable for FUTA are liable to Illinois even if they did not have one employee in twenty weeks or a \$1,500 quarterly payroll.

IDES determines an employer's liability. These "status determinations" can result in an employer being either liable or non-labile for contributions or terminated and no longer liable. Businesses in which ownership has changed are identified in this process and liability may be transferred from the old owner, as the "predecessor," to the new owner, as the "successor."

■ EMPLOYER WORKLOAD ■

	<i>Number of Liable Employers</i>	<i>Number of Status Determinations</i>
SFY 2008	299,671	35,559
SFY 2009	302,472	35,878
SFY 2010	300,317	27,807

CONTRIBUTIONS

Most liable employers must pay taxes, known as contributions, on a quarterly basis. Liable nonprofit organizations and local governmental entities may elect to make payments in lieu of contributions; they reimburse IDES directly for benefits paid to their former employees. Contributory employers pay quarterly contributions on the wages paid to each worker up to the taxable wage base amount. See the chart that follows:

■ TAXABLE WAGE BASE ■

<i>Calendar Year</i>	<i>Taxable Wage Base</i>
2008	\$12,000
2009	\$12,300
2010	\$12,520
2011	\$12,740

- **Rates**

Employers' contribution rates depend on their experience with unemployment, the size of their payroll and the experience of the state as a whole. A new employer with less than three years of liability is assigned the standard new employer rate or the average contribution rate for businesses in the same North American Industry Classification Sector (NAICS), whichever is higher. However, for an employer who has had experience with the risk of unemployment for at least 13 consecutive months ending June 30 of the preceding calendar year, the contribution rate is computed in accordance with the experience rating provision if the rate is higher than the new employer rate. After the third year, an employer becomes eligible for a variable contribution rate that reflects the employer's benefit charges and taxable wages for a specified period and the experience of the entire state. The minimum and maximum rates are:

■ CONTRIBUTION RATES ■

<i>Calendar Year</i>	<i>Minimum</i>	<i>Maximum</i>
2009	0.6%	6.8%
2010	0.650%	7.250%
2011	0.700%	8.400%

IDES calculates employer contribution rates and sends each employer an “Annual Contribution Rate Determination” for the calendar year before the first quarter’s contributions are due. Accuracy of the rate determination is monitored closely. Benefit charges are calculated through the Department’s Benefit Charging System (BCS), a system in which the chargeable employer is recorded when determined in the benefit claim processing function. The Illinois Benefit Information System (IBIS) transfers data on payments, overpayments, recoupments, and redeterminations to BCS on a daily basis. This enables BCS to calculate benefit charges for employers and pass that information to the Benefit Funding System (BFS), which calculates the contribution rates.

- **Employer Account Maintenance**

Accurate employer accounts are essential to the Revenue program. Information received from employers has many ramifications as it results in status determinations, rate determinations, wage corrections, refunds, waivers of penalty and/or interest and certifications to the IRS. Employer Account Maintenance functions are located in the Department’s Central Office in Chicago; in the three IDES Regional Revenue Offices located in Chicago, Aurora, and Springfield; and in the Springfield Processing Center. These statewide locations provide direct lines of service to employers at sites closer to their places of business. Prompt handling of employer inquiries and requests results in more accurate account information.

- **Household Annual Filing**

As part of its efforts to reduce paperwork and make interactions with state government easier, IDES, in conjunction with the Illinois Department of Revenue (IDOR), conceived, designed and implemented a program which allows household employers the opportunity to file a single, annual form to meet their UI and Illinois withholding filing requirements.

Since 2006, employers who solely employ household workers (baby sitters, care givers, cleaning people, housekeepers, nannies and maids, etc.) are eligible to elect to submit one annual report rather than four quarterly reports. Household employers who choose this option must report and pay by April 15th for the previous year’s

liability. IDES provides extensive information about this process on its Web site, as well as a link to the online household annual filing application.

- **Reports and Remittances**

IDES uses an automated system to maintain the tax records and accounts of all employers required to file in Illinois. Each quarter, liable employers are required to report the social security number, name, and amount of gross wages paid to each employee during the quarter, and to calculate the amount of UI contributions owed. IDES issues filing packets to employers each quarter. Employers who do not file magnetically receive paper forms and a scannable transmittal. Employers filing magnetically also receive a scannable transmittal to pay their contributions. The information submitted to IDES from employers on paper forms, magnetic media, or online via Illinois TaxNet is used to determine the monetary eligibility of claimants for UI benefits and for labor statistics.

Employers are required to send magnetic filings to the IDES Central Office in Chicago and to mail their remittances, with scannable transmittals, to the IDES Processing Center in Springfield. All paper reports and payments with scannable transmittals are mailed to IDES' depository bank for processing. They are due by the last day of the month following the end of the quarter. Late payments are subject to interest and late reports, either paper or magnetic, are subject to penalty.

IDES has an agreement with JP Morgan Chase Springfield to process all paper reports and remittances through a lockbox operation. The Department maintains the Springfield Processing Center, staffed by IDES personnel working on site at the JP Morgan Chase facility, to handle exception reports and/or cash that can not be immediately processed. All reports submitted on paper are processed and posted in the system prior to the cutoff date.

Employers can also pay required contributions through electronic funds transfers, ACH (Automated Clearing House) credit or debit, the Fedwire, or credit/debit cards. ACH debit is processed through Illinois TaxNet, and its use has increased steadily. The 26,609 payments processed in SFY 2010 surpassed the SFY 2009 total of 20,476 and significantly exceeded the totals of previous years. Payments via ACH credit also rose from 84,736 credits processed in 2008, to 92,197 in 2009, and 97,390 for 2010. Since October 2006, when it began accepting credit/debit card payments, to the end of 2010, IDES received 5,379 payments by these means. In addition to the added convenience to employers, electronic payments have expedited deposits to the UI Trust Fund, making funds available sooner for benefit payments.

■ **EMPLOYER CONTRIBUTIONS** ■

	<i>Employer Contributions</i>	<i>% Change from Previous Year</i>
SFY 2008	\$2,026,806,875	-12.0%
SFY 2009	\$1,596,805,664	-21%
SFY 2010	\$1,641,686,014	3%

- **Wage Information System**

The Wage Information System (WIS) is designed to streamline the posting and maintenance of more than 7 million individual wage details submitted quarterly by more than 300,000 Illinois employers. The information posted in this system is used to determine claimants' monetary eligibility for UI benefits. This system has the flexibility to reflect changes in laws or requirements. It also provides information used in quarterly filing packets. Due to the high volume of individual wage details posted to the system, WIS can retain eight quarters of information online; however, older, purged data is archived on compact discs (CDs).

- **Magnetic and Electronic Employer Reporting**

The Department currently processes an average of 305,238 employer reports each quarter. Approximately 52%, representing 1.14 million social security numbers, are filed on paper and 48%, listing 5.6 million social security numbers, are filed magnetically. IDES offers several ways to report magnetically or electronically: magnetic cartridge, diskette, telephone filing (zero wages), Federal and State Employment Tax (FSET), and Illinois TaxNet.

Employers with 250 or more employees through the course of a calendar year are required to file their Employer's Contributions and Wage Reports magnetically or electronically. Failure to comply with this rule will result in the assessment of a maximum penalty charge of \$5,000 a quarter.

The Zero-Wage telephone filing system was upgraded in 2008 to accommodate employers who have no wages to report in a given quarter. The telephone filing of zero wage reports has become a very successful and popular method, as more than 13,000 employers use this system quarterly.

Since October 1997, when the nationwide employer New Hire Registry was created, employers were given the option of filing their new hire reports magnetically, on paper, or via e-mail. In the past two years, employers reported more than 2 million new hires using magnetic media.

For the Department, the increased use of magnetic and electronic filing has decreased paper flow and the need to manually enter data in the system. From the customer perspective, employers have several methods available for filing reports and paying taxes. As a result, information is more accurate and available sooner to determine claimants' monetary eligibility for UI benefits and for labor statistics.

■ **ELECTRONIC REPORTING – Magnetic Media, TaxNet, and FSET** ■

The average number of employers filing electronic reports quarterly continued to increase steadily from SFY 2008 through SFY 2010.

	<i>Employers</i>	<i>No. Wage Items Reported</i>
SFY 2008	113,386	5,725,424
SFY 2009	132,493	5,573,216
SFY 2010	154,506	5,734,563

COLLECTION ENFORCEMENT

Employer contributions underwrite the UI Trust Fund and benefit payments. Inadequate payment or nonpayment of contributions negatively impacts the Trust Fund's solvency. IDES manages an aggressive collection enforcement program in an attempt to recover all monies owed. Employers who fail to file Employer's Contribution and Wage Reports and/or fail to pay the full contribution amount due on a timely basis are subject to the collection cycle:

- **Benefit Funding System (BFS) Collection Cycle**
Statement of Account

A Statement of Account is generated approximately 100 days after the report due date and sent to all delinquent employing units. The Department continues to send quarterly statements thereafter until the employer remits the outstanding balance.

- Automated Telephone Collections***

Approximately 115 days after the report due date, Department personnel contact employing units that have failed to respond to the Statement of Account and offer assistance in explaining the debt and arranging payment.

- Estimated Wages***

Approximately 180 days after the report due date, BFS will estimate contributions due for employing units that have not filed an Employer's Contribution and Wage Report for the reporting quarter. The amount is typically estimated based on a like

quarter in the previous year. If no report exists for that quarter, BFS will continue searching the employer's history for a like quarter; but if not found, BFS will estimate wages based on the quarter for which the last report was filed.

Determination and Assessment Notices

The Department issues Determination and Assessment Notices approximately 245 days after the report due date on parameters established quarterly. This gives employers an opportunity to appeal the amount owed and provides access to due process afforded by the Department.

Property Lien

On a dollar threshold established each quarter, a Property Lien is generated approximately 45 days after a Determination and Assessment becomes final and is recorded in the county in which the employing unit is located.

Comptroller's Offset

IDES refers final delinquent employers' balances each quarter to the Office of the Illinois Comptroller. The Comptroller offsets any state monies due the employer (e.g., refunds, payment for goods and services, etc.) and sends them to the Department. IDES withdraws its referral only when the employer pays the account balance in full or enters into a Deferred Payment Agreement with the Department.

Bank Levy

After a Determination and Assessment Notice is issued and a Property Lien is recorded, the employer's personal or business account is subject to bank levy enforcement.

Deferred Payment Agreement(s)

Employing units can enter into a Deferred Payment Agreement with the Department anytime during their indebtedness, even after debt has been written off or referred to an Outside Collection Agency.

Outside Collection Agency

Using established federal criteria, IDES refers delinquent accounts, both active and terminated, to an outside collection agency for a six month period. This referral is also used for certification in the debit write off process. The Department has the ability to recall delinquent accounts.

Debit Write Off

Approximately 1700 days after the report due date, the debt becomes eligible for write off if an independent party (e.g., an outside collection agency) certifies that the debt is uncollectible.

- **Other BFS Collection Cycle Activities**

IRS Cross Match

The cross match compares state taxable wages reported to IDES against federal taxable wages.

2600 Clearance Letters

A 2600 Clearance Letter is issued when no contributions, penalties, or interest is owed by the transferor/seller/predecessor when substantially all of the employing unit's assets are transferred to a successor.

FUTA Certification

FUTA Certification is provided when an employer satisfies the amount owed for the period of certification.

Referral to the Illinois Attorney General

Employer accounts are referred for prosecution in instances where potential fraud can be alleged or avoidance of collection can be documented.

Bankruptcy

IDES files a Proof of Claim when an employer files a petition with the Bankruptcy Court. Pre-petition debt is typically not dischargeable under bankruptcy proceedings.

Debt Write Off Reversal

The Department has the ability to re-post debt as an outstanding indebtedness to an employer's account if it can be collected.

- **Collections Analysis**

The Collection Enforcement Unit continues to develop cost effective collection techniques, in order to bring delinquent employers into compliance with the Illinois Unemployment Insurance Act.

■ COLLECTIONS ■

	<i>Delinquent Contributions Collected</i>	<i>% Of Delinquent Receivables</i>
SFY 2008	\$57,638,010	39%
SFY 2009	\$49,971,771	32%
SFY 2010	\$59,540,105	35%

The listed collections activities yielded the following percentages of the total amount collected for SFY 2008, 2009, and 2010:

SFY 2008: Activities as a Percentage of Total Collections

Statement Of Account	53.1%	Deferred Payment Agreements	8.4%
Telephone Dunning	6.8%	Property Liens	1.9%
Outside Collection Agencies	10.5%	Comptroller's Offset	2.0%
Delinquent Remittances*	6.8%	Bankruptcy	0.2%
Determinations & Assessments	8.0%	2600 Letter of Clearance	0.1%
Bank Levy	2.2%		

2009: Activities as a Percentage of Total Collections

Statement Of Account	47.2%	Deferred Payment Agreements	9.1%
Telephone Dunning	9.5%	Property Liens	1.4%
Outside Collection Agencies	11.3%	Comptroller's Offset	3.0%
Delinquent Remittances*	8.4%	Bankruptcy	0.4%
Determinations & Assessments	7.4%	2600 Letter of Clearance	0.1%
Bank Levy	2.2%		

SFY 2010: Activities as a Percentage of Total Collections

Statement Of Account	45.6%	Deferred Payment Agreements	7.0%
Telephone Dunning	8.3%	Property Liens	1.1%
Outside Collection Agencies	7.0%	Comptroller's Offset	2.6%
Delinquent Remittances*	20.7%	Bankruptcy	0.3%
Determinations & Assessments	5.0%	2600 Letter of Clearance	0.1%
Bank Levy	2.3%		

*Delinquent Remittances received but not attributable to a specific collection method.

● **Collections and Enforcement Emphases for SFY 2011 – SFY 2012**

- Develop a more assertive Bank Levy Program by reviewing the lien status of all monetarily delinquent out-of-state employers, to insure tax avoidance is not

directly or indirectly being accomplished by the employer's root mailing address declaration. In addition to this review of the out-of-state employer population, a monthly review of all large balance accounts will include a review of the last bank levy assignment.

- Catalog all System Work Requests (SWR's) of programming anomalies in the Benefit Funding System software, to identify limitations/deficiencies which occur during batch runs in the Automated Collection Cycle. Once identified, staff will work closely with the Information Services Bureau to address procedural, programming, and compliance issues.

- **Field Audit**

IDES administers an ongoing audit program to ensure that employing units are in compliance with the Illinois UI Act. Under the Act, any employing unit doing business in Illinois is subject to an audit of their financial records. IDES field auditors use laptop computers equipped with the Laptop Audit System II (LASii) software and reported wage and worker information downloaded from the Department's systems to conduct audits to determine the accuracy of the employing unit's reports for a specific period of time. The audits are conducted in accordance with IDES Procedures Manual Section 6007 and the USDOL/ETA Tax Performance System Guidelines.

The auditor examines all financial records and reconciles any discrepancies or open items that exist between the examination and the quarterly Employer's Contribution and Wage Reports filed by the employing unit. After the reconciliation is completed, the auditor submits the file electronically to the immediate supervisor for review. The file is then electronically submitted to IDES Central Office, where it may be subjected to an additional review to ensure that the completed audit complies with USDOL/ETA's Tax Performance System's computed measures for field audit, which are designed to control the requirements of an acceptable audit.

The UI Tax Audits' recent history is as follows:

■ TAX AUDITS ■

	<i>Number of Audits Completed</i>	<i>Dollars Discovered</i>
SFY 2008	3,966	\$279,234,532
SFY 2009	4,233	\$245,379,680
SFY 2010	4,595	\$239,678,790
Total Audits	12,794	\$764,293,002

*An average of \$59,739 per field audit

Field Audit Emphases for SFY 2011 and SFY 2012

- Replace the existing Laptop Audit System II (LASii) software program with a more advanced and contemporary Laptop Audit System 3rd generation (LAS3). Current software utilizes an electronic computerized auditing and information system that is more than fourteen years old and is not aligned with current state-of-the-art accounting and record keeping techniques.
- Replace the existing laptop hardware used in the Field Audit Program. The current laptop hardware is not covered by repair warranties. As a result of heavy usage and aging, the equipment is prone to failure and is beyond repair. Audit staff are dependent on a diminishing number of working laptops. Procurement of modern laptops, printers, and peripherals specific to the needs of the Laptop Audit System are an integral component of Field Audit initiatives and software upgrades.

REVENUE ISSUE RESOLUTION AND ADMINISTRATIVE HEARINGS

Under the UI Act, employers have the right to disagree with actions taken by IDES in relation to their accounts, if they do so within the time frames allowed by law. In some instances, the employer first files an application requesting IDES to review or revise an item in question, such as a rate or benefit charge, or files an application for an adjustment to an account. Upon receipt of a sufficient and timely application, the Director issues an order to allow or deny. If denied, the employer may file a protest and petition for hearing before the order becomes final. In the case of a Determination and Assessment, the first step in the appeal process is a timely protest and petition for a hearing.

Hearings, known as Administrative Hearings, are scheduled before representatives of the Director. Employers may introduce witnesses and exhibits to support their contentions. After considering the evidence presented, the administrative law judge submits a report and a recommendation for disposition to the Director. A copy is sent to

the employer, who can file timely objections. If no objection is filed, the recommended decision becomes the final decision of IDES. If objections are filed, the Director reviews the case and issues a decision. The Director's decision is final and conclusive unless the employer requests review under the Administrative Review Law in the circuit court of the county in which the hearing was held.

Administrative Hearings adjudicates a variety of tax-related issues. Determination and Assessment (D&A) cases continue to make up much of the Administrative Hearings total workload. These cases, in which the Department seeks to collect delinquent taxes from employers, are generally the most complex of all tax cases. Benefit charge cases are another type heard. Because the Department uses benefit charges to calculate employers' contribution tax rates, unemployment rate affects the volume of such cases received. Lower unemployment results in fewer benefit charges and smaller workloads, while the greater number of benefit charges associated with higher unemployment will have the opposite effect. Beside tax assessment cases and benefit charge cases, Administrative Hearings adjudicates contested tax cases that include employer claims for a refund of employment taxes paid, employer petitions for a waiver of interest and penalties, and contests of the contribution rate upon which employers pay their UI employment taxes.

	SFY 08	SFY 09	SFY 10
Tax-Related Decisions	449	768	836

Due to the recession some Administrative Hearings staff were reassigned to hear the significantly increased number of benefit appeals. Accordingly, the handling of tax-related cases was impacted. Since the benefit appeals caseload has stabilized the Appeals Division has taken steps to improve performance by reassigning staff to hear tax-related decisions.

Additionally, Administrative Hearings adjudicates benefits claim appeals involving claim disqualifications arising from work stoppages because of labor disputes and benefit claims appeals involving the amount of qualifying wages paid during a claimant's base year period, and contests involving initial claimant monetary eligibility under the federal Unemployment Compensation for Federal Employees.

	SFY 08	SFY 09	SFY10
Benefits-Related Decisions	354	662	665

REVENUE PROGRAM EMPHASES SFY 2010 – SFY 2011

One of IDES' major priorities has been to improve and streamline services for Illinois business to the greatest extent possible. The Department has partnered with the Illinois Department of Revenue (IDOR) to design Illinois TaxNet, an Internet application implemented in 2003, which permits employers to file quarterly returns for UI and withholding income tax at the same time.

Through this Internet vehicle, employers can file quarterly Employer's Contribution and Wage Reports, including quarterly data on workers' wages, and submit electronic tax payments (ACH Debits). Illinois TaxNet also allows an employer to perform account inquiry and limited account updates. In June 2005, Illinois TaxNet was further enhanced by the implementation of an online registration application which allows new businesses to register with IDES. In December 2005, the file upload and conversion to the Illinois TaxNet format and a secure file transfer protocol (FTP) feature were added to the application. Other new features, implemented in 2006, included the online submission of wage corrections and submission of a Section 2600 certification request. In 2007, the registration process for Illinois TaxNet was simplified, making it easier for employers to use. During SFYs 2011 and 2012, IDES plans to increase awareness of Illinois TaxNet and encourage employers to take advantage of its benefits.

Since August 2004, IDES and IDOR have participated in the Federal and State Employment Tax (FSET) project administered by the Internal Revenue Service. FSET is a web application which allows taxpayers to file state withholding, state UI, and federal withholding taxes via one Web site. In addition, this application allows employers to initiate electronic payments. This has been a cooperative effort among multiple government entities and private industry. IDES and IDOR have implemented the "Online Filer" model which allows taxpayers, using vendor's software, to automatically file their tax returns and make payments to the vendor who will collect, batch, and transmit files to the FSET gateway in Illinois.

SECTION FIVE

APPENDICES

IDES WEB SITES

IDES	www.ides.illinois.gov
IDES/Illinois workNet Centers	www.ides.illinois.gov/worknet/
Illinois Skills Match	www.ides.illinois.gov/ism/
Illinois Workforce Information Center	www.ilworkinfo.com
Illinois Workforce Development	www.ilworkforce.org
Illinois Benefit Information System:	http://www.ides.illinois.gov/individual/online-services.asp

NATIONAL WEB SITE

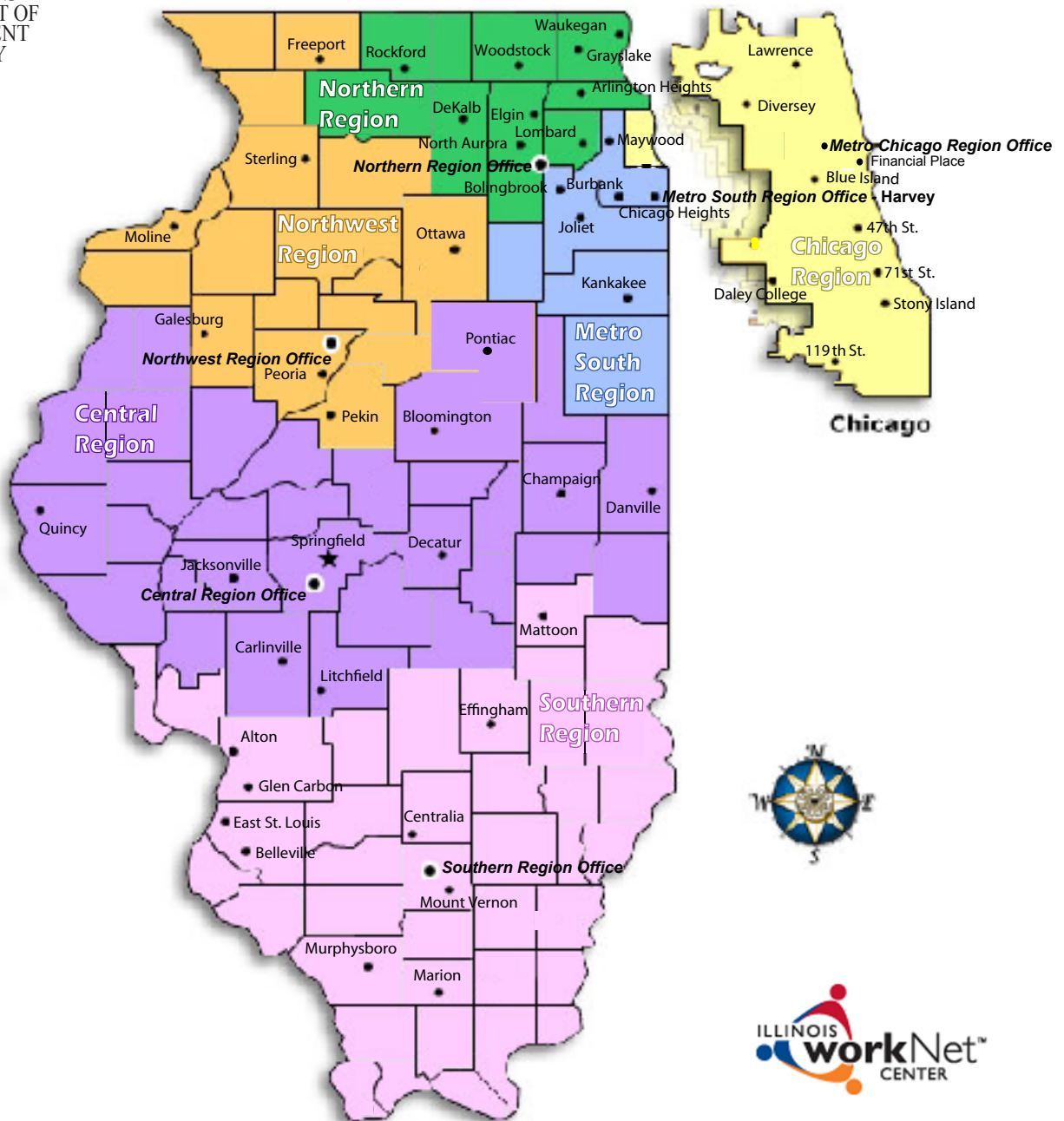
CAREER ONE-STOP	www.careeronestop.org
Explore Careers	
Salary + Benefits	
Education + Training	
Job Searches	

Illinois Department of Employment Security
Selected Program Activity
By State Fiscal Year

	SFY 2007	SFY 2008	SFY 2009	SFY 2010	SFY 2011 Projected
EMPLOYMENT SERVICE*					
Total Participants	511,482	462,480	536,069	492,351	500,000
Job Orders Received	47,277	45,065	36,676	37,171	40,000
Entered Employment	212,053	175,991	149,288	204,191	210,000
UNEMPLOYMENT INSURANCE					
Regular Initial(first) Claims	414,658	443,269	707,072	533,502	513,000
Regular Initial and Additional Claims	683,029	734,201	1,154,464	999,321	900,000
First Level Appeals	54,226	55,342	60,847	78,226	69,000
Number of UI Liable Employers	296,696	299,671	302,472	300,317	301,000

*Year-to-year comparisons of Employment Service data should not be made due to reporting problems in SFY 2005 and new federal reporting requirements and definition changes implemented in SFY 2006.

IDES REGIONS and OFFICES



DIRECTORY

Illinois workNet Centers, IDES Offices, & IDES Satellite Offices Listed Alphabetically by Community

Go to www.ides.state.il.us/ietc/map.asp for information on IDES services and the location of an office near you.

Community	LWIA*	Address	Telephone/Fax
Arlington Heights	8	723 W. Algonquin Road Arlington Heights, IL 60005	847.981.7400 888.261.8573 (TTY/TDD) 847.981.7435 (fax)
Belleville	24	4519 W. Main Street Belleville, IL 62223	618.277.5678 618.277.5814 (fax)
Bloomington	16	207 E. Hamilton Road Bloomington, IL 61704	309.827.6237 309.828.9968 (fax)
Bolingbrook	10	321 Quadrangle Drive Bolingbrook, IL 60440	630.759.0647 630.759.0665 (fax)
Burbank	7	5608 W. 75 th Place Burbank, IL 60459	708.458.0500 708.458.3230 (fax)
Carlinville (Satellite Office)	21	116 S. Plum Street Carlinville, IL 62626	217.854.6115
Centralia	23	325 S. Poplar Centralia, IL 62801	618.532.4741 618.532.0380 (fax)
Champaign	17	1307 N. Mattis Avenue Champaign, IL 61826	217.278.5700 217.278.5726 (fax)
Chicago Offices			
Daley College Center (Satellite Office)	9	7500 S. Pulaski Road Building 100 Chicago, IL 60652	773.838.6413
Mid-South	9	715 E. 47 th Street Chicago, IL 60653	773.538.9811 888.261.7985 (TTY/TDD) 773.538.8857 (fax)
Blue Island/Pilsen	9	1700 W. 18 th Street Chicago, IL 60608	312.243.5100 888.261.7983 (TTY/TDD) 312.243.1343 (fax)
Financial Place	9	528 S. Financial Place Chicago, IL 60607	312.793.5006 888.261.8490 (TTY/TDD) 312.793.5316 (fax)

*Local Workforce Investment Area

DIRECTORY

Illinois workNet Centers, IDES Offices, & IDES Satellite Offices Listed Alphabetically by Community

Go to www.ides.state.il.us/ietc/map.asp for information on IDES services and the location of an office near you.

Community	LWIA*	Address	Telephone/Fax
Halsted	9	837 W. 119 th Street Chicago, IL 60643	773.821.4100 773.821.4922 (fax)
Stony Island	9	8750 S. Stony Island Ave. Chicago, IL 60617	773.221.3737 773.221.3974 (fax)
Woodlawn	9	1515 E. 71 st Street Chicago, IL 60619	773.947.2500 773.493.3737(fax)
Diversey	9	4931 W. Diversey Avenue Chicago, IL 60639	773.889.6820 773.889.6844 (fax)
Lawrence	9	2444 W. Lawrence Ave. Chicago, IL 60625	773.334.6646 773.334.6833 (fax)
Chicago Heights	7	1010 Dixie Highway Chicago Heights, IL 60411	708.709.3000 866.266.3815 (TTY/TDD) 708.709.3055 (fax)
Danville	18	407 N. Franklin Danville, IL 61832	217.442.0236 217.442.0907 (fax)
Decatur	19	757 W. Pershing Road Decatur, IL 62525	217.875.8750 217.875.8778 (fax)
DeKalb	5	1701 E. Lincoln Highway DeKalb IL 60115	815.756.4893 815.756.6523 (fax)
East Alton	22	612 W. St. Louis Avenue East Alton, IL 62024	618.259.9500 618.259.9518 (fax)
East St. Louis	24	601 J.R. Thompson Blvd. Building E East St. Louis, IL 62201	618.271.7750 888.206.2812 (TTY/TDD) 618.271.0622 (fax)
Effingham	23	2311 Hoffman Drive Effingham, IL 62401	217.342.4149 217.347.7680 (fax)

*Local Workforce Investment Area

DIRECTORY

Illinois workNet Centers, IDES Offices, & IDES Satellite Offices Listed Alphabetically by Community

Go to www.ides.state.il.us/ietc/map.asp for information on IDES services and the location of an office near you.

Community	LWIA*	Address	Telephone/Fax
Elgin	5	30 DuPage Court Elgin, IL 60120	847.888.7900 847.888.5547 (fax)
Freeport	4	1826 S. West Avenue Freeport, IL 61032	815.232.7171 866.287.2999 (TTY/TDD) 815.233.5267 (fax)
Galesburg	14	821 W. Main Street Galesburg, IL 61401	309.343.3100 309.343.0541 (fax)
Glen Carbon	22	50 Kriege Farm Road Glen Carbon, IL 62034	618.656.6100 618.656.6403 (fax)
Grayslake	1	800 Lancer Lane Grayslake, IL 60030	847.543.7453 866.786.3938 (TTY/TDD) 847.543.7469 (fax)
Harvey	7	16845 S. Halsted Street Harvey, IL 60426	708.596.2325 708.333.1778 (fax)
Jacksonville	21	850 S. Main Street Jacksonville, IL 62650	217.245.5148 888.261.2708 (TTY/TDD) 217.524.7848 (fax)
Joliet	10	250 N. Chicago Street Joliet, IL 60432	815.740.5100 815.740.5237 (fax)
Kankakee	11	255 N. Schuyler Avenue Kankakee, IL 60901	815.932.0035 888.614.2398 (TTY/TDD) 815.932.0648 (fax)
Litchfield	21	11006 Airport Trail Road Litchfield, IL 62056	217.324.2138 217.524.7848 (fax)
Lombard	6	837 S. Westmore-Meyers Road, Suite B1 Lombard, IL 60148	630.495.4345 866.488.4016 (TTY/TDD) 630.495.0617 (fax)
Marion	25	8195 Express Drive Marion, IL 62959	618.997.6835 618.998.1231 (fax)

*Local Workforce Investment Area

DIRECTORY

Illinois workNet Centers, IDES Offices, & IDES Satellite Offices Listed Alphabetically by Community

Go to www.ides.state.il.us/ietc/map.asp for information on IDES services and the location of an office near you.

Community	LWIA*	Address	Telephone/Fax
Mattoon	23	305 Richmond Ave. East Mattoon, IL 61938	217.235.2222 217.235.0344 (fax)
Maywood	7	35 S. 19 th Avenue Maywood, IL 60153	708.338.6900 708.338.7702 (fax)
Moline	13	4703 16 th Street, Suite F Moline, IL 61265	309.764.8731 309.764.0567 (fax)
Mount Vernon	25	333 Potomac Boulevard Suite E Mt. Vernon, IL 62864	618.244.1700 618.244.0353 (fax)
Murphysboro	25	223 S. 13 th Street Murphysboro, IL 62966	618.687.2341 618.684.6809 (fax)
North Aurora	5	2 Smoke Tree Plaza North Aurora, IL 60542	630.844.6640 630.844.6698 (fax)
Ottawa	12	1550 First Avenue South Towne Mall Ottawa, IL 61350	815.434.3111 815.434.0073 (fax)
Pekin	16	200 S. Second Street Suite 10 Pekin, IL 61554	309.346.4171 309.346.0497 (fax)
Peoria	15	406 Elm Street Peoria, IL 61605	309.671.3114 866.266.3802 (TTY/TDD) 309.671.3066 (fax)
Pontiac (Satellite Office)	11	741 W. Washington Suite 2 Pontiac, IL 61764	815.842.2693
Quincy	14	107 N. 3 rd Street Quincy, IL 62306	217.222.1560 217.222.1564 (fax)
Rockford	3	303 N. Main Street Rockford, IL 61101	815.395.6600 815.966.2436 (TTY/TDD) 815.395.8669 (fax)

*Local Workforce Investment Area

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Illinois workNet Centers, IDES Offices, & IDES Satellite Offices Listed Alphabetically by Community

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Community	LWIA*	Address	Telephone/Fax
Springfield	20	1300 S. Ninth Street Springfield, IL 62704	217.782.3846 888.206.2814 (TTY/TDD) 217.524.7848 (fax)
Sterling	4	2323 E. Lincolnway Sterling, IL 61081	815.625.2313 815.625.7494 (fax)
Waukegan (Satellite Office)	1	1 N. Genesee Waukegan, IL 60085	847.377.3450
Woodstock	2	500 Russel Court Woodstock, IL 60098	815.338.7100 866.324.3841 (TTY/TDD) 815.338.2706 (fax)

*Local Workforce Investment Area

DIRECTORY IDES Administrative & Regional Offices

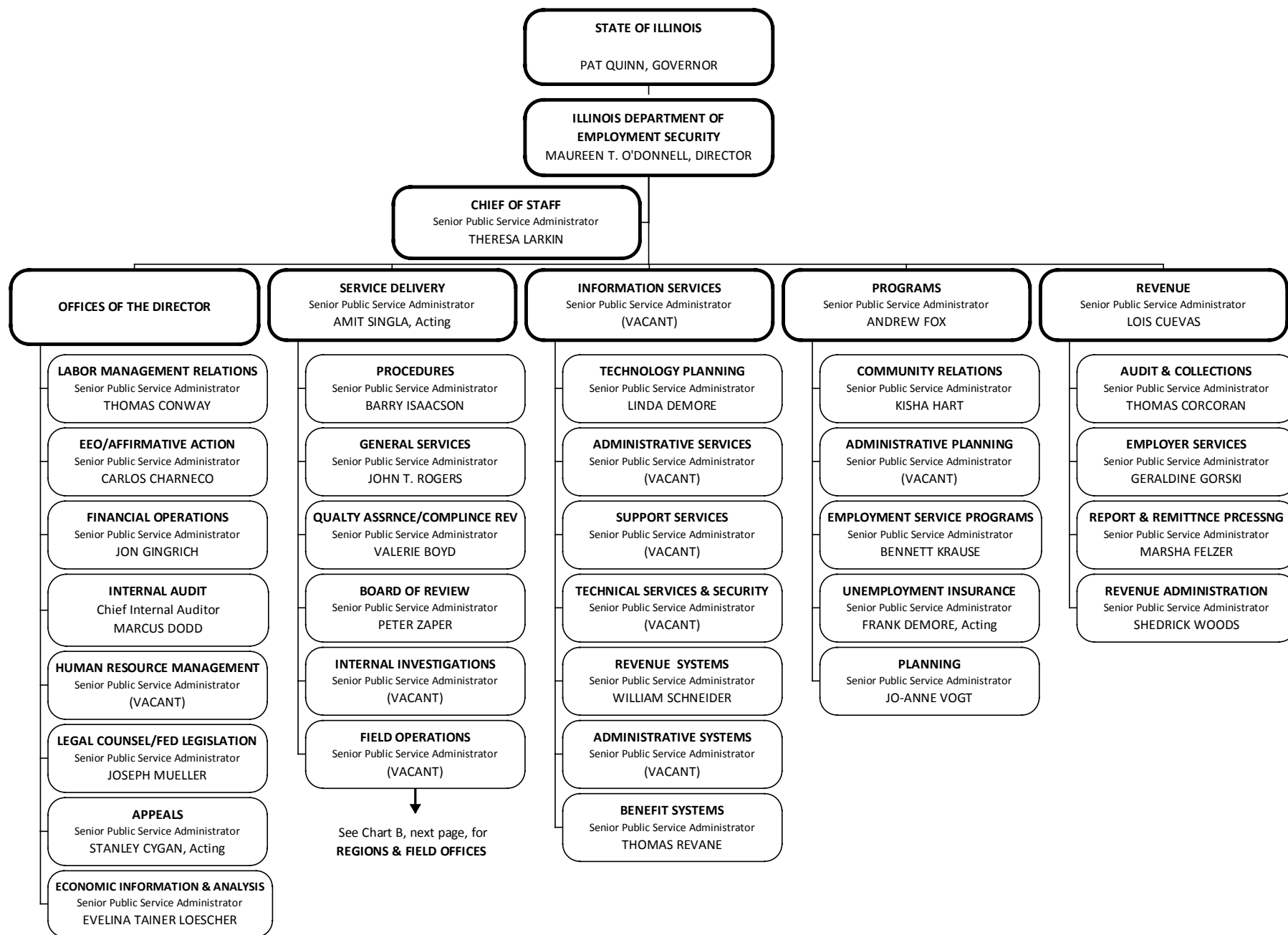
ADMINISTRATIVE OFFICES

Region	Address	Telephone/Fax
Central Office	33 S. State Street Chicago, IL 60603	312.793.5700
Springfield Director's Office	850 E. Madison Street Springfield, IL 62702	217.785.5069 217.785.5108 (fax)

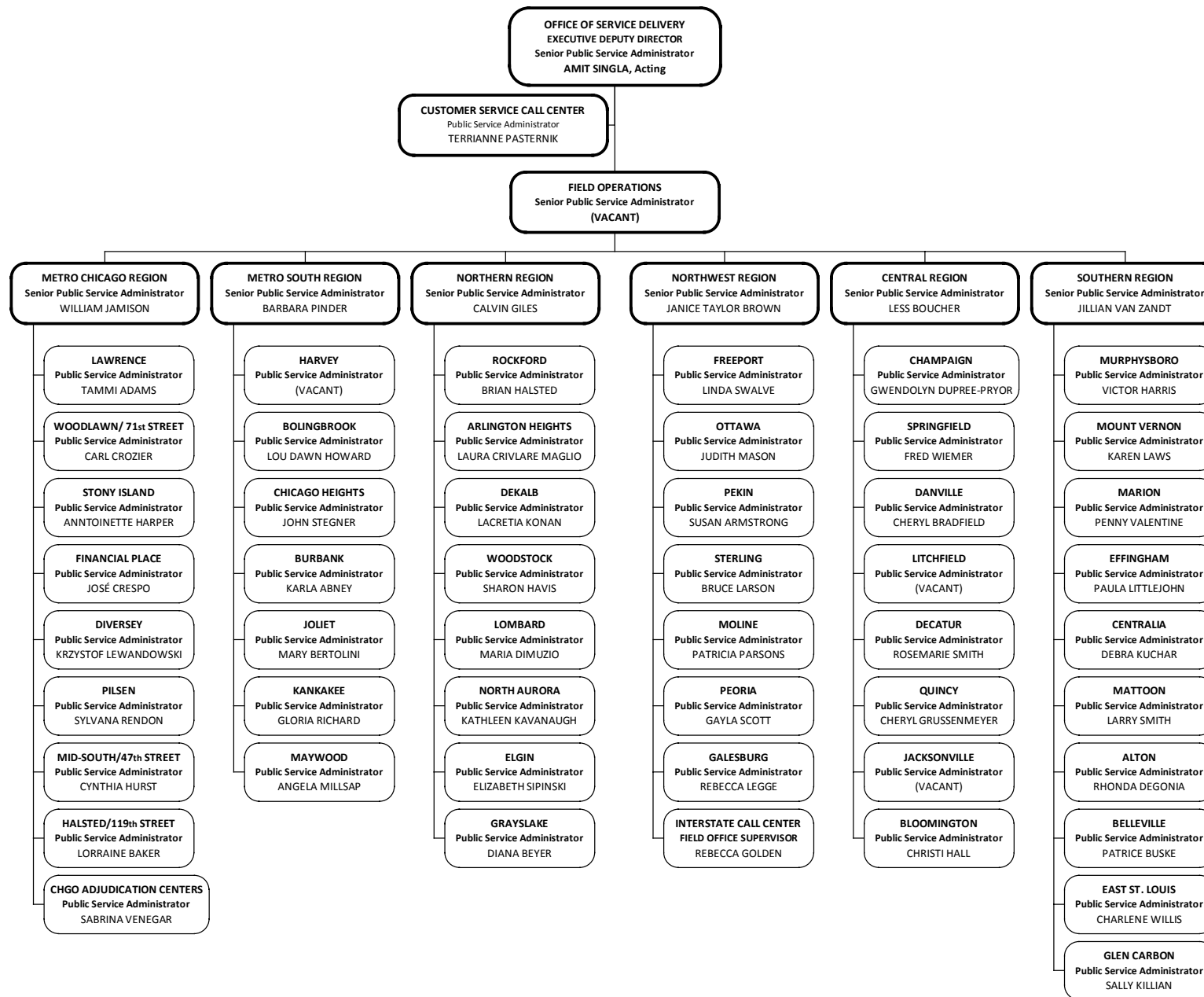
REGIONAL OFFICES

Region	Address	Telephone/Fax
Chicago	527 S. Wells Street 3 rd Floor Chicago, IL 60607	312.814.3143
Metro South	16845 S. Halsted Street Harvey, IL 60426	708.596.8801 708.596.8814 (fax)
Northern	260 E. Indian Trail Road Aurora, IL 60505	630.844.8455
Northwest	410 Elm Street Peoria, IL 61605	309.671.3153
Central	850 E. Madison Street 1 st Floor Springfield, IL 62702	217.782.0157 217.557.2067 (fax)
Southern	321 Withers Drive Suite B Mt. Vernon, IL 62864	618.242.6121

ILLINOIS DEPARTMENT OF EMPLOYMENT SECURITY



ILLINOIS DEPARTMENT OF EMPLOYMENT SECURITY
CHART B: WORKFORCE DEVELOPMENT - REGIONS & FIELD OFFICES



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PLEASE CONTACT:**

Illinois Department of Employment Security
Planning & Special Projects
8th Floor
33 South State Street
Chicago, Illinois 60603

or

Valerie.Okleshen@illinois.gov

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